A U.S. DEPARTMENT OF COMMERCE WEEKLY

International Commerce

May 12, 1969

World Trade Week 1969

International Trade Winds

Company News

ILLUMINATION—General Instrument Corp., Newark, New Jersey, has acquired Vitality Bulbs, Ltd. of England, a major producer of subminiature incandescent bulbs used in aircraft, aerospace equipment, appliance, communication, computer, marine and medical applications. Within the past year, General Instrument also acquired Hivac, Ltd., a British manufacturer of display tubes and other lamp products. General Instrument thus has a major place in production of subminiature lamps in the United Kingdom.

TRANSMISSIONS—Borg-Warner Corp., Chicago, and Aisin-Seiki Co., Japan, received final approval from the Japanese government for a joint venture to produce automatic transmissions in Japan. Under the agreement, each partner will own 50% of the company, known as Aisin-Warner KK. The plant, which should begin construction in a few months, will build automatic transmissions and other auto parts for distribution in Japan. The Japanese auto industry, second largest in the world, expects an increase in total production and use of automatic transmissions in the next five years. Auto production is expected to rise from 2,055,000 in 1968 to 3,250,000 in 1973; automatic transmissions should increase from 5.4% last year, to 18%.

IRON ORE—Allis-Chalmers, Milwaukee, has signed an agreement with Rheinstahl Export and Industrieanlagen Gmbh., Essen, West Germany, which will build a complete iron ore pelletizing plant from Allis-Chalmers specifications to be supplied to the Bong Mining Co., Liberia. The new pelletizing plant, part of $45 million project, is scheduled to go into operation in 1971, and is designed to produce 6,667 metric tons of high grade iron ore pellets per day. It will be the first such pelletizing system Allis-Chalmers has supplied to an African mining firm, and the 21st system sold since 1959.

BANKING—The Fidelity Bank, Philadelphia, has opened its first overseas office in Nassau, Bahamas. The Nassau bank, Fidelity's 61st office, will limit its services to international needs of corporations, banks, and other institutions. Primarily, it will hold deposits and make loans in Euro-dollars and European monetary units.

Calendar *for international traders*

The many activities scheduled around the country during World Trade Week have preempted the space of the Newsletter feature regularly found here. Calendar for International Traders continues from this page to its usual place on the inside back cover.

ATLANTA—May 21—Fourth of 6 International Business Systems Seminars, Commerce Field Office, 9:30 a.m.-4 p.m. Sponsors: Commerce Field Office, Georgia State College.

CHICAGO—May 20—Chicago Assn. of Commerce & Industry special meeting on Viet-Nam trade possibilities, 30 W. Monroe St., 2:30 p.m. Speakers: Vietnamese deputy minister of commerce, director of commercial aid.

CHICAGO—May 21—In-Office Meeting, Commerce Field Office.

CHICAGO—May 22—National Maritime Day Luncheon, Sheraton Blackstone Hotel, 12:30 p.m. Sponsor: Propeller Club.

CLEVELAND—May 22—24th Annual Cleveland World Trade Conference, Sheraton-Cleveland Hotel. Sponsor: Cleveland World Trade Assn.

DAYTON—May 21—Last of 8 weekly Export Trade Workshops, Rm. 310, Kennedy Memorial Union, University of Dayton, 9:30 p.m. Topic: Export Transaction Step by Step. Sponsors: Commerce Field Office, REEC, Chamber of Commerce, U. of Dayton.

DES MOINES—May 20—Western Europe Trade Day, Ft. Des Moines Hotel, 8:30 a.m.-4:30 p.m. Sponsors: Commerce Field Office, REEC, Iowa Development Commission, Chamber of Commerce, Drake University, Iowa State Dept. of Agriculture.

DETROIT—May 20—Export Seminar, 445 Federal Bldg., 9:30 a.m. Sponsor: Commerce Field Office.

EVANSVILLE, Ind.—May 21—Fourth Annual Ohio Valley International Trade Conference, University of Evansville, 9:30 a.m. Sponsors: World Trade Clubs of Cincinnati, Evansville, Louisville & Dayton Chambers of Commerce.

FT. WASHINGTON, Pa.—May 19—World Trade Assn. of Montgomery County monthly luncheon meeting, Coach Inn, 12 noon.

GRAND RAPIDS, Mich.—May 23—Western Michigan World Trade Club, Spring Lake Country Club.

HONOLULU—May 21—Export-Import Workshop, Rm. 286, Alexander Young Bldg., 10 a.m. Sponsors: Commerce & Small Business Administration Field Offices.

INDIANAPOLIS—May 22—Joint Meeting, World Trade Club & Chamber of Commerce, "International Financial Outlook," Indiana State Teachers Assn. Bldg., 6:30 p.m. Speaker: Joseph Barr, American Security & Trust Co.

KANSAS CITY—May 20—World Trade Week dinner meeting, Plaza Inn, 5:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club, Women's Chamber of Commerce.

KANSAS CITY—May 21—Meeting for Exporters on Business in the Middle East, Top of the Tower, 5:30 p.m. Sponsors: Commerce Field Office, REEC, Int'l Trade Club.

KANSAS CITY—May 22—Export Development Workshop, Federal Office Bldg., 2 p.m. Sponsors: Commerce Field Office, REEC.

LOS ANGELES—May 19—Los Angeles World Affairs Council luncheon, Hilton Hotel. Speaker: Egidio Ortona, Italian Ambassador to the U.S.

LOS ANGELES—May 19—Foreign Visitors Banquet, Renaissance Room, Biltmore Hotel. Sponsor: World Trade Committee, Chamber of Commerce.

(Cont'd on inside back cover)

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the cover

President Nixon, proclaiming this year's World Trade Week as May 18-24, said that the 1969 emphasis is on Government willingness to assist the business community in expanding exports. Observances across the country, reflecting increasing originality and creativity, range from featuring foreign menus at local restaurants to scheduling full-scale world trade conferences. Various community activities are previewed in this issue on pages 2-5.

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International Commerce

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Special Report

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World Trade Week plans cued by President's aims

Emphasis is on Government willingness to assist business community in exporting

President Richard M. Nixon, proclaiming the 1969 World Trade Week, stated that the government is "more willing and better prepared to help than ever before" in opening up new markets abroad.

He cited the drop in the United States' trade surplus since the previous year as requiring intensified export expansion.

The Chamber of Commerce of the United States, a national promoter of the observance of World Trade Week, May 18-24, reports growing originality and creativity in plans of local chapters in their World Trade Week activities. These range from full-scale World Trade Conferences to the featuring of foreign menus at local restaurants.

Special emphasis is being placed this year on involving students in promotion of international trade. Students at the University of Denver helped plan and will participate in the ten-day program on Latin America that is the highlight of the Denver World Trade Week.

The South Florida Regional Export Expansion Council gives the winner of its high school essay contest a trip to Washington, D.C. The New York REEC also sponsored an essay contest among local high school students, awarding U.S. bonds.

The International Trade Association of Atlanta has established a full-tuition scholarship for a graduate student planning a career in international business at Georgia State College's Institute of International Business. (See photo, page 3.)

Other events include an address by Secretary of Commerce Maurice H. Stans in Minneapolis, presentation of Man-of-the-Year awards and "E" awards, and an International Rotary convention in Hawaii.

Los Angeles, the originator of World Trade Week in 1927, kicks off the week with a luncheon sponsored by the Los Angeles World Affairs Council. Guest speaker is Egidio Ortona, Italian Ambassador to the United States. A banquet sponsored by the World Trade Committee of the Los Angeles Chamber of Commerce is scheduled for that evening.

On Thursday, May 22, the Foreign Trade Association of Southern California holds its 43rd World Trade Week luncheon. Speaker will be K. N. Davis, Jr., Assistant Secretary of Commerce for Domestic and International Business.

The World Trade Association of the San Francisco Chamber of Commerce plans a business luncheon on May 21 as its observance of World Trade Week. The Oakland Chamber of Commerce and World Trade Club will be hosts at a dinner meeting on May 22 honoring the Bay area consular corps.

During World Trade Week an "E" award will be presented in Washington, D.C. by Senator Richard S. Schweiker of Pennsylvania to the American Electronic Laboratories, Inc. of Colmar, Pa.

Denver will observe World Trade Week with emphasis on Latin America at the World Trade Club's annual banquet at the Brown Palace Hotel, and at a seminar series coordinated by the Club and the University of Denver. Participants in the series, which is held daily from May 12 through May 23, except for May 17, include: Fernando Belaunde Terry, former President of Peru; Galo Plaza, Secretary-General of the Organization of American States; Mervyn Weiner, chief economist of the Western Hemisphere division, World Bank; Ismael Escobar, chief of the education section, Inter-American Development Bank; and Donald Wood, Varig Airlines. Substantial student participation is expected, with both Latin and U.S. students invited.

Among Ohio observances is the 24th Cleveland—Mid Atlantic States World Trade Conference scheduled for May 22 at the Hotel Sheraton-Cleveland. Speakers include E. E. Schnellbacher, assistant director of the Commerce Department's Bureau of International Commerce; Elliott Haynes, vice president of Business International Corp.; Kenneth M. Spang, vice

President: 'more willing to help . . .'

President Nixon, in the text of his World Trade Week proclamation, made the following points:

"Our national trade policy supports the General Agreement on Tariffs and Trade and other international institutions that seek new ways to facilitate the fair exchange of goods between nations. By reducing barriers to trade the United States and its trading partners have contributed to the growth of the world economy.

"As we work toward freer trade, we recognize that our greatest strength lies in the traditional competitive urge of American business and labor. As their international efforts increase their earnings, the nation benefits from a strengthened dollar position and an improved balance of payments.

"We must intensify our efforts to contain inflationary pressures at home, helping make our exports more competitive; as our exports expand, we will restore a healthy trade surplus.

"Additional outlets are needed for the diversity and abundance of our industrial and agricultural production. We also must find ways to help less developed countries participate more fully in world trade.

"Enlarged markets for our goods and services speed the pace of our economic progress and advance the well-being of all our people. New markets abroad create new jobs at home; new avenues of world trade run parallel to new roads to world peace.

"Government in the past has helped American industry and agriculture to open up new markets abroad; today we are more willing and better prepared to help than ever before."

president of the First National City Bank of New York; representatives of airlines, railroads, shipping lines, and truckers; and a group of panelists discussing developments in the Common Market. Featured speaker is Jean-Luc Pepin, Canada's Minister of Trade, Commerce, and Industry.

Sponsors of the conference are: the Cleveland World Trade Association, Cleveland Council on World Affairs, and the Greater Cleveland Growth Association. A new feature at this year's conference is an international information center, which will give registrants assistance with international trade problems.

Another major event in the Mid-West is the Ohio Valley International Trade Conference. This year's fourth annual conference is sponsored cooperatively by the Department of Commerce Cincinnati Field Office, and the World Trade Clubs of Dayton, Cincinnati, Louisville, and Evansville, Ind. It will be held at the University of Evansville.

The Fifth Annual Wisconsin International Trade Conference and World Trade Dinner will be held May 20 in Milwaukee. Panelists will offer expertise on transportation, international marketing, financing, joint ventures and other arrangements, and advertising. Guest speakers scheduled are Samuel C. Johnson, president and chairman of the board of S. C. Johnson & Son, Inc., and William Blackie, chairman of the board of Caterpillar Tractor Co. Sponsors are the Commerce Department Field Office, Wisconsin REEC, Metropolitan Milwaukee Association of Commerce, and the Milwaukee Trade Club.

The Upper Midwest will consider U.S. International Trade Policies in the 1970's during world trade week. A conference in Minneapolis on May 21, sponsored by the Minneapolis Chamber of Commerce and the Minnesota World Trade Association, will relate trade problems to individual industries by means of a panel consisting of Paul F. Cornelsen, president of Ralston Purina International; Edson W. Spencer, vice president for international operations of Honeywell, Inc.; Gerald O'Brien, executive vice president of the American Importers Association; Holbert M. Jones, president of Waverly Mills. Secretary of Commerce Maurice H. Stans, as mentioned above, will address the World Trade Day banquet.

The Rochester, Minn., Chamber of Commerce, in cooperation with the Upper Midwest Regional Export Expansion Council, the State of Minnesota, and the Commerce Minneapolis Field Office, is sponsoring an export seminar and luncheon. Guest speaker will be John E. Carroll, president of American Hoist and Derrick Co., a leader in National and Regional Export Expansion Council work.

SCHOLARSHIP TO GEORGIA STATE COLLEGE is presented to Joy Baker (l.) by Dean Rogers Hammond (ctr.), Graduate School of Business Admin., and Frank S. Kaufmann (r.), president, International Trade Assn.

One of the major events in Detroit's World Trade Week activities is a televised roundtable discussion. Several REEC members will participate in an analysis of the U.S. role in world trade, and the need for Michigan to increase exports.

Other Michigan activities include a Newcomer's Export Seminar in Flint, sponsored by the Commerce Department Detroit Field Office, the Small Business Administration, and the Flint Chamber of Commerce. The Institute for International Commerce at the University of Michigan's Graduate School of Business Administration plans an International Finance Workshop at Ann Arbor May 22 and 23.

The World Trade Club of St. Louis plans a luncheon on May 20 at Stouffer's Riverfront Inn, with an address by Donald W. Douglas, Jr., of the McDonnell-Douglas Corp. and the NEEC, and a dinner meeting on May 22 honoring the Port of New Orleans, with James W. Martin, director of trade development for the Board of Commissioners, Port of New Orleans, as principal speaker. Two special "Show You" export workshops on documentation are scheduled for airline employees at Lambert Municipal Airport.

First of several activities in Kansas City will be a World Trade Week dinner meeting on Tuesday, May 20, at the Plaza Inn, sponsored by the International Trade Club, the Women's Chamber of Commerce, the Commerce Field Office, and local REEC. On May 21 the International Trade Club plans a dinner meeting for exporters on business opportunities and operations in the Middle East.

Emphasis on media coverage will produce special sections in the Sunday edition of the *Kansas City Star* and in the Chamber of Commerce's magazine *The Kansas Citian*, telling of the international activities of area firms.

Atlanta will combine world trade with travel to bring expanded coverage to its businessmen and traders. The International Trade Association of Atlanta has established a full tuition scholarship at Georgia State College's Institute of International Business, to be awarded a graduate student planning a career in international business. The association decided on this scholarship after discussions with Georgia State over the small number of students planning to enter international business.

On World Trade Day, May 22, an International Information Center will be set up at the American Motor Hotel while trade and travel activities are in progress. Booths will be manned by representatives of foreign consulates; personnel of state and federal agencies such as the Georgia State Department of Industry and Trade, the Georgia Ports Authority, the U.S. Department of Commerce, and the Small Business Administration; representatives of airlines, air cargo carriers, shipping companies, international banking and insurance institutions, and international communications experts.

A two-day International Business Forum at the University of Alabama (Tuscaloosa) will ask participants "Who's Afraid of Exporting?" Successful international business executives will advise on knowing and

developing the market, wrapping up the market, and delivering the goods. Banquet speaker on May 21 is Paul E. Pauly, director of the Commerce Department's Office of International Trade Promotion. Among the co-sponsors are the University of Alabama, the U.S. Department of Commerce Birmingham Field Office, the Alabama Export Council, and the Alabama World Trade Club.

Among the World Trade Week activities in Memphis are an export conference on containerization, an export luncheon-forum on the Far East, a conference on export opportunities, and a workshop on export procedures. The latter two will be held at Memphis International Airport. Sponsors include the Memphis World Trade Club, the Mid-South Exporters' Roundtable and Memphis Area Chamber of Commerce.

Jacksonville anticipates that 400 members of its business community will attend the World Trade Dinner on May 23, at which the featured speaker will be Nguyen Hoan, counselor for political affairs at the Embassy of Vietnam, Washington, D.C. The sponsor is the Jacksonville Chamber of Commerce. Efforts to coordinate Jacksonville's first industry-organized Government-approved trade mission, leaving for the Bahamas in June, will continue during World Trade Week.

The Tampa chapter of the Propeller Club and the Pan American Commission and World Trade Council of the Tampa Chamber of Commerce will co-sponsor a Maritime Day Banquet on May 23. Scheduled speaker is Victor C. Folsom, vice president of United Fruit Co.

Orlando's Export Trade Seminar series will conclude with a special session devoted to the importance of world trade to the local community.

Philadelphia plans a World Trade Week dinner at the Downtown Club. John W. Eckman, president of William H. Rorer, Inc., pharmaceutical manufacturers, will speak on "How Not To Succeed in Foreign Trade Without Really Trying."

Co-sponsors of World Trade Week activities in Philadelphia are: the Delaware River Port Authority, Philadelphia Port Corp., the Greater Philadelphia Chamber of Commerce, the Delaware Valley Council, Consular Association, Foreign Traders Association, Maritime Exchange, Marine Trade Association, and the city, state, and U.S. Commerce Departments.

In Phoenix, an export development workshop will be sponsored by the Commerce Department Field Office, the Small Business Administration, Trans World Airlines, Arizona State University, and the Arizona World Trade Association.

The Seattle World Trade Club will present its World Trade Man of the Year award and two Presidential "E" awards at its May 22 luncheon. "E"s will go to the Olympic Stain Co., maker of wood stains and equipment for using them, and Western Marine Electronics Co., manufacturer of electronic equipment.

Chicago plans several export promotion meetings during World Trade Week. Leading off, the Ocean Freight Agents Association will hold a meeting on Monday at the Illinois Athletic Club. The following day the Chicago Association of Commerce & Industry will conduct a special interest meeting at which trade possibilities in Viet-Nam will be discussed by L. P. Trong, Assistant Minister of Commerce, and M. V. Truong, Director of Commercial Aid. On Maritime Day, May 22, the Propeller Club of Chicago will host a meeting with special guest Stanley Barer, transportation counsel for the U.S. Senate Commerce Committee.

The World Trade Club of Indianapolis and the Indianapolis Chamber of Commerce are co-sponsors of a panel discussion on the international financial outlook. Guest speaker will be Joseph Barr, former Secretary of the Treasury and vice chairman of the board of the American Security and Trust Co., Washington, D.C.

Des Moines will emphasize trade with Western Europe. An all-day meeting on May 20 will have a number of speakers and panelists including J. Robert Wilson, section chief of the regional affairs staff, European Division, Department of Commerce, and R. L. Beukenkamp, coordinator of export services, Foreign Agricultural Service, Department of Agriculture. Sponsors of the program are the Iowa REEC, Iowa Development Commission, Greater Des Moines Chamber of Commerce, Drake University College Center for Continuing Education, the Marketing Division of the Iowa State Department of Agriculture, and the Commerce Field Office.

Boston's main observance will be a National Maritime Day dinner at the Statler Hilton Hotel, sponsored by the Propeller Club of Boston.

Rochester, N.Y., is the site of a conference on international market development. All-day workshops, luncheon, and dinner will be held at the Rochester Institute of Technology. Co-sponsors are the Commerce Buffalo Field Office, the Rochester Chamber of Commerce, Rochester Institute of Technology, the New York State Department of Commerce, Western New York REEC, and the Small Business Administration.

Buffalo's Maritime Day observance is a cruise of the Niagara border area, including a tour of port facilities. This is followed by a dinner meeting at the Continental Inn. The sponsor is the Buffalo World Trade Association.

Baltimore will observe National Maritime Day, May 22, with its annual maritime luncheon, sponsored by the Propeller Club. Featured speaker will be James J. Reynolds, president of the American Institute of Merchant Shipping, the new organization composed of the former Committee of American Steamship Lines, Pacific American Steamship Association, and the American Merchant Marine Institute. The Maryland Port Authority will sponsor port orientation tours for commercial and consular personnel at various foreign embassies in Washington. On Sunday, May 25, harbor tours aboard the MV Port Welcome will be open free to the general public.

The South Florida REEC has been sponsoring an essay contest for high school students on the theme Protectionism—Its Effect on World Trade. The winner will receive a free trip to Washington, D.C. and will be presented with a certificate on May 19 by Assistant Sec-

WORLD TRADE WEEK in New York was celebrated in 1968 with this salute on National Maritime Day.

retary of Commerce for Domestic and International Business K. N. Davis, Jr.

Gulfport, Miss. is celebrating World Trade Week during the week of May 25. Among the scheduled activities are a port tour, a meeting of the Louisiana-Mississippi REEC, and a luncheon at the Broadwater Beach Hotel in Biloxi which will be addressed by Fred A. Wendt, vice president of Delta Steamship Lines.

Honolulu will host the Rotary International Convention which begins during World Trade Week, with more than 20,000 members from all over the world expected. Former Secretary of Commerce Luther Hodges is among the expected participants, as are Najeeb E. Halaby, president of Pan American World Airways, and former Under Secretary of Commerce W. Walter Williams.

New York City plans its traditional full week of activities. Leading off on Monday, May 19, will be a World Trade Day luncheon at the Plaza Hotel, sponsored by the Commerce and Industry Association of New York. Henry Kearns, president of the Export-Import Bank and former Assistant Secretary of Commerce, will be guest speaker.

Tuesday an inspection tour of New York Harbor is scheduled by the Port of New York Authority. An Air Cargo-Transportation Day luncheon at the Biltmore Hotel on Wednesday is sponsored by the New York Board of Trade. National Maritime Day ceremony will take place on May 22 in Battery Park.

Also on Thursday a Rotary Club of New York luncheon at the Commodore Hotel will be the occasion for presentation of awards to the winners of an essay contest among New York City high school students. Sponsored by the New York REEC, the contest was on the theme "Why Must We Export?" Saturday, May 24, is the Annual King's Point Day at the Merchant Marine Academy.

New Jersey has scheduled its World Trade Day luncheon for Friday at the Robert Treat Hotel in Newark. Sponsoring organization is the World Trade Association of New Jersey.

Pittsburgh plans a World Trade Day luncheon at the William Penn Hotel on May 22, sponsored by the World Trade Council of the Greater Pittsburgh Chamber of Commerce. Speaker William Persen, senior vice president and editorial director of Business International, will discuss East-West Trade.

The same day a forum on Operations and Documentation Procedures for Port of Origin Shipments by Air Cargo will be held. Major speaker will be Frederick L. Brooks, of the Office of Export Control, U.S. Department of Commerce.

RECENT MISSION TO JAPAN visited U.S. Trade Center, Tokyo, to see exhibit by association that arranged tour. Above, prospective customers are seen with R. H. Hunt (2nd from r.), product promotion manager.

Mission from U.S. spurs forest product exports to Japan

Industry group holds seminars, visits plants and sawmills

Japanese manufacturers and building trade experts recently received an overview of U.S. forest products and construction techniques from a trade mission that visited Japan March 24–April 4. Several hundred Japanese businessmen, architects, designers, builders, and importers attended the sessions, the Western Wood Products Association of Portland, Ore., reports.

Included was a visit to an exhibit at the U.S. Trade Center in Tokyo, followed by a seminar there, repeated in Osaka and Sapporo. Sponsors of the mission were the Forest Products Export Committee, representing the western U.S. forest product industry, and the U.S. Department of Agriculture. Tour arrangements were made by the Western Wood Products Association (WWPA), which represents lumber producers in 12 western states. The mission was undertaken by the Committee to seek markets for processed wood products in Japan, according to the Association.

The exhibit in Tokyo drew more than 400 Japanese businessmen. "The Mighty Western Forest," a WWPA film with Japanese narration, was used as an introduction to the seminars with talks by various U.S. industry experts following. Topics included buildings systems, plywood and lumber in residential and nonresidential uses, and wood stains for exterior application. All remarks were simultaneously translated and the Japanese received printed copies, WWPA reports.

The Committee sponsored a concurrent two-week educational tour of Japanese forest product facilities. The group of 12 lumbermen visited sawmills, plywood plants, ports in Tokyo and Kishiwada, a lumbering complex near Osaka, the Tatsuyama forestry cooperative, and prefabricated housing complexes and construction sites. Each visit, the Association says, provided additional insight into the Japanese goal of 1.9 million new homes annually.

Stans' Far East itinerary covers four top markets

Japan, Korea, Taiwan, Hong Kong on May 9-18 visit

Secretary of Commerce Maurice H. Stans, accompanied by officials from nine Federal Government agencies, was scheduled to begin a major mission to the Far East on May 9. There are to be stops in Japan, Korea, Taiwan and Hong Kong, with approximately 40 private talks and public appearances on the itinerary prior to the return to the U.S. May 18.

The mission, which follows upon a similar recent seven-nation tour of Western Europe (Note: for report on this visit see INTERNATIONAL COMMERCE, May 5, page 2), was first announced by the White House on Apr. 4.

Secretary Stans is being accompanied by representatives of the White House, the Office of the Special Trade Representative, the Council of Economic Advisers, the Export-Import Bank of the United States, and the Departments of Commerce, State, Treasury, Agriculture and Labor.

His itinerary takes him to Tokyo from May 10-13; to Seoul, Korea May 14-15; to Taipei, Taiwan on May 16; and then to Hong Kong for a final round of talks before his return to Washington.

Aims of visit

"This is a continuation of our efforts to build friendships and establish new understandings with our major trading partners throughout the world," Secretary Stans said. "We will reaffirm to the people of Asia the Nixon Administration's commitment to freer trade, and our strong general opposition to trade restrictions. Where problems exist, we want to lay them on the table and discuss them openly and completely, as we have done in Europe."

The Commerce Secretary said he believes the same kind of friendly and frank discussions in the Far East "will lead to productive solutions" of matters that are of mutual interest and concern. "As the President's announcement indicated, our talks will cover the whole broad range of trade and investment issues, and will include the American textile problem," he said.

In addition to meeting with Ministers for Foreign Affairs, Trade and Industry, and Finance and Economics in the various capitals he will visit, Secretary Stans is scheduled to meet with Prime Minister Sato of Japan, President Park Chung Hee of the Republic of Korea, and Vice President and Premier C. K. Yen of the Republic of China.

On May 13 Secretary Stans is scheduled to give an address in Tokyo to the American Chamber of Commerce in Japan and the Japan-America Society.

Secretary Stan's party includes, from Commerce: Stanley Nehmer, Deputy Assistant Secretary for Resources; Lawrence A. Fox, Deputy Assistant Secretary for International Trade Policy; Robert M. Smalley, Special Assistant to the Secretary for Public Affairs; Jack A. Gleason, Assistant to the Secretary; Robert M. Klein, Deputy Director, Far Eastern Division, Office of International Regional Economics, and Seth M. Bodner, Special Assistant to the Deputy Assistant Secretary for Resources.

Also, from Export-Import Bank: Henry Kearns, President and Chairman; State: Julius L. Katz, Deputy Assistant Secretary for International Resources and Food Policy; Treasury: John R. Petty, Assistant Secretary for International Affairs; Agriculture: Clarence D. Palmby, Assistant Secretary for International Affairs; Labor: Herbert N. Blackman, Administrator, Bureau of International Labor Affairs.

Also, from the White House: Harry S. Dent, Deputy Counsel to the President; Council of Economic Advisers: Dr. Hendrik S. Houthakker, Member; and Office of the Special Representative for Trade Negotiations: Murray Chotiner, General Counsel.

Three named to Commerce positions

Secretary of Commerce Maurice H. Stans has announced three appointments to key international business posts in the Department of Commerce; including two Deputies to Assistant Secretary for Domestic and International Business K. N. Davis, Jr.

Robert McLellan, 46, of Saratoga, Calif., was named Deputy Assistant Secretary for Business Development. McLellan has been with FMC Corp. since 1949, most recently as a Vice President of FMC International. A native of Kearney, Nebr., he holds an engineering degree from San Jose State College.

McLellan will help coordinate the activities of the Bureau of International Commerce and the Business and Defense Services Administration in their implementation of the Department's domestic and international programs. These include industrial analysis, export expansion, trade promotion, industrial mobilization, and other programs designed to accomplish the Administration's business objectives.

Lawrence A. Fox, 46, has been named Deputy Assistant Secretary for International Trade Policy. Fox has had international assignments in the Commerce Department and the Bureau of the Budget since 1945. Prior to becoming Director of the Bureau of International Commerce in September 1965, he headed the Bureau's Office of Commercial and Financial Policy. He also served as director of that office's Trade and Commercial Policy Division. He was a Commercial Officer in Geneva, Switzerland, in 1961-62.

Recently he has served as Acting Deputy Assistant Secretary for Trade Policy in addition to his duties as Bureau Director. In his new capacity, Fox will assume prime responsibility within the Department for development and coordination of international trade policy and commercial policy. He holds degrees from Clark, Syracuse and George Washington universities.

Harold B. Scott, 51, of Greenwich, Connecticut, is succeeding Fox as the Director of the Bureau of International Commerce, which is principally concerned with the promotion of international trade and the administration of export controls.

He has been President of Harold B. Scott Inc., an international management company based in New York City. After studies at Yale and Columbia universities, he entered the international business world. His experience includes service with foreign subsidiaries of Chas. Pfizer & Co., and executive posts with Denver Chemical Manufacturing Co., Parachem Corp., Houbigant, Inc., and the Syracuse Supply Co.

'Invest in U.S.A.' effort gains as American firms heed request to invite help of foreign partners

Commerce Dept. specialist notes rising interest on both sides of Atlantic; emphasizes U.S. backing for open investment policy

Decisions by Europeans to enter U.S. business life—stimulated by the Commerce Department's "Invest in the U.S.A." program—are reaching such action stages as these:

► A French national of Russian antecedents is establishing an American factory in Houston for a Dutch firm;

► A Belgian firm—which became interested through the suggestion of its bank—took a full year to decide whether to invest in the United States. It recently announced that it will build a plant in Georgia;

► A French company that was considered a prime candidate for operations in the United States has opened up a sales subsidiary to test the market for its product in this country. If results are as expected, the firm intends to build a production unit in the U.S.;

► A German firm opened a plant in this country in partnership with a U.S. firm, and within a year was already exporting 13% of its output—a further boon to the U.S. balance of payments.

America's roving salesman of investment opportunities—Johnson Garrett, the U.S. Investment Development Attache for Europe—was in Washington recently during a trip that included talks to groups of businessmen in nine other U.S. cities and attendance at the Atlantic Council's conference on foreign direct investment, held in the State Department. (See box, p. 8)

Garrett reports that interest in the "Invest in the U.S.A." program is gaining on both sides of the Atlantic. He recalled that during 1967, his first full year in the assignment, only six proposals for joint ventures or licensing agreements with European firms were received from U.S. firms. In 1968 the Commerce Department's Office of International Investment, which operates this program, received 31.

Long range program

"This program must be looked at long-range," Garrett says. "The gestation period—from the time when people first start talking about doing something until the time when something actually happens—can vary from three months to . . . never."

Foreign direct investment in U.S.

($ billion)

Country/region	1950	1965	1966	1967
Canada	1.0	2.4	2.4	2.6
United Kingdom	1.2	2.9	2.9	3.2
Belgium	n.s.s.	.2	.2	.2
France	n.s.s.	.2	.2	.3
Germany	n.s.s.	.2	.2	.3
Italy	n.s.s.	.1	.1	.1
Netherlands	.3	1.3	1.4	1.5
Sweden	n.s.s.	.2	.2	.2
Switzerland	.3	.9	.9	1.1
Japan	n.s.s.	.1	.1	.1
Latin America	n.s.s.	.2	.2	.2
Other	.5	.1	.2	.2
Total	3.4	8.8	9.1	9.9

n.s.s.: Not shown separately.
(Details may not add to totals due to rounding.)
Source: Dept. of Commerce, *Survey of Current Business*, Sept. 1967, Oct. 1968.

Therefore, OII aims to stir up interest on both sides of the investment process. The feeling is that if Europeans have specific business proposals from U.S. firms to consider, they will be more inclined to act than if they had to take all of the initiatives themselves.

Accordingly, while Garrett is extolling the advantages of U.S. operations to European firms as he circulates from his Paris base, OII specialists are making swings around this country, telling U.S. businessmen to think about acquiring a European partner or license. As mentioned above, Garrett does the same thing whenever he returns to this country, with the recent circuit being the second he has undertaken.

Working with the Commerce Department's 42 field offices, OII representatives have now spoken to selected groups totaling over 2,500 businessmen in 40 U.S. cities. Since the program began, they have arranged more than 1,800 contacts between American firms and potential European partners in joint ventures or licensing agreements.

Benefits for U.S. firms

In talking with American businessmen, OII specialists find that many of them don't realize that it is their Government's policy to encourage participation by foreign investors in the U.S. economy.

Furthermore, many do not realize that, even though the United States has the largest and most modern economy in the world, there are products and ideas throughout the rest of the world that can greatly aid individual firms in their efforts to expand or diversify present operations.

The OII program is simply a matter or letting the American businessman know of these opportunities. "In essence we say, 'Here's an opportunity; if you're interested we'll introduce you,' " according to Garrett.

In cases where foreign investors establish corporations without affiliation or association with U.S. firms, American firms may secure a source of supply for better or unique products. Through contact with the techniques of the foreign entrepreneurs, they may also develop their own capabilities in similar lines.

Even greater potential advantages may accrue to American firms participating in joint ventures, partnerships, or licensing arrangements with foreign investors. Through such direct contacts, diversification of product lines is possible without associated development costs or time lag; a strengthened financial position may result; and access to patents, designs, and processes owned by foreign companies may be acquired. Furthermore, competi-

tion from imported lines—possibly from the foreign partner's plant—may be displaced by domestic manufacture.

Finally, the possibility of reciprocal arrangements to distribute the American firm's products in the foreign partner's sales territory, as well as the possibility of penetrating complementary markets and of expanding existing markets, is a significant potential benefit.

In a broader perspective and longer time frame, the United States can derive considerable benefit from the technology and new products developed abroad. Capital investment in the United States can introduce new products and perfect old ones; and it can increase U.S. productivity and add to domestic incomes and employment.

Although investment from abroad generates payments of earnings abroad, the U.S. balance of payments benefits from foreign investment in terms of the initial flow of capital to the United States, greater productivity, import displacement, and export potential that flow from the investment of foreign capital.

Inflation curbs seen aiding capital inflow

Reliance on anti-inflationary measures rather than restraints on investment outflows will be the U.S. policy in solving its balance-of-payments problems in the months ahead.

So said Secretary of Commerce Maurice H. Stans to a conference on U.S.-Western Europe investments held in Washington this month by the Committee for Atlantic Economic Cooperation, the Atlantic Council of the U.S., and the Atlantic Institute, U.S. Department of State.

Secretary Stans said that the efforts to curb inflation would build an inviting climate for foreign direct investment in the U.S. He declared: "Far-sighted foreign investors can begin planning to secure the unique advantage of having a plant or other operations in the United States. I don't think any nation on earth has a better or longer record than that of the United States in providing foreign businessmen with profitable investment opportunities, both direct and in securities."

He reviewed U.S. history in this regard, beginning with Hamilton's welcome to foreign capital in 1791, the European borrowings to finance the 1803 Louisiana Purchase, and the 19th Century influx of investments, particularly in railroads. He pointed to full protection of property rights for foreign and domestic investors alike, and unlimited rights to take out earnings or withdraw capital.

Then he said of overseas investors:

"Today these businessmen are attracted by entry into the world's largest and most lucrative market, by an abundance of natural resources, by a well-developed infrastructural base, by the great purchasing power of our people, by the inherent economies of large-scale production, and by access to advanced technology.

"Businessmen are finding that in many cases manufacturing in this country is a more effective and more economical means of serving this vast market than exporting to it.

"Production in this country eliminates many expenditures involved abroad in transportation, financing, warehousing, and tariffs. Although some costs of production may be higher, these often are offset by ready access to the latest in technology and managerial expertise.

"And so we extend an invitation to our friends in the Atlantic community and around the world to invest in America."

Multinational firm is global Chamber's 50th year subject

World business leaders meet May 31 in Istanbul

The growing role of the international corporation will be the major topic when world business leaders from 80 nations meet in Istanbul for a week-long Congress on May 31.

The Congress marks the 50th anniversary of the International Chamber of Commerce. Sessions at the recently completed Istanbul Cultural Center will end June 6.

Theme of the Congress is "International Economic Growth: the Role, Rights and Responsibilities of the International Corporation." A report prepared by the U.S. economist, Sidney Rolfe, will relate the explosive growth of production by foreign owned corporations to other world developments including technology, nationalism, anti-trust practices and the problems of emerging nations. The report is a special project of the Chamber that was financed by companies in many countries.

In addition to sessions on the theme, delegates will discuss a program for trade policy over the next ten years. Other subjects to be considered include monetary policy, the financing of economic development, freedom of consumers, transportation, arbitration, electronic developments affecting commerce, banking technique and regional problems.

Over 60 Americans

More than 60 Americans are to attend the Istanbul meeting. The U.S. delegation will be led by James A. Linen, president of Time, Inc. and chairman of the Chamber's United States Council. Members will include George Bremser, Jr., president, General Foods International; Howard L. Clark, chairman, American Express Company; Walter Hochschild, chairman of the Executive Committee, American Metal Climax, Inc.; George S. Moore, chairman, First National City Bank; and Mrs. Mary G. Roeblin, chairman, Trenton Trust Co.

Among business leaders from other countries scheduled to make formal speeches are Lord Cromer, director, Baring Brothers & Co., and Wilfred Baumgartner, chairman, Rhone-Poulenc. International organizations will be represented by such officials as the Director General of GATT, Olivier Long, and the Secretary General of UNCTAD, Perez Guerrero.

More than 2,000 persons have registered for the Congress. Businessmen interested in attending should contact U.S. Council of the International Chamber of Commerce, 1212 Av. of Americas, New York, N.Y. 10036; telephone 212-582-4850.

U.S. share of developed markets is unchanged

Shipments surge to Canada, but rise slowly to European Economic Community and Japan

U.S. manufacturers expanded their sales to the developed countries of the world by more than two-thirds in value between 1962 and 1967. Nevertheless, our 22% share of this huge market in 1967 was the same as it had been five years earlier.

During the intervening years, the other major suppliers increased their exports to these areas at a faster rate, and the relative position of U.S. products was slightly less favorable than in 1962.

The market for foreign manufactures in the developed areas, defined as Canada, Western Europe, Japan, and Australia/New Zealand/South Africa, boomed from 1962 to 1967 as rapid economic growth, stimulated in part by expanding sales to the United States, generated strong demand. Rising by nearly 70% in the five-year period, exports from the 14 major industrial exporters to countries other than the United States amounted to $63 billion in 1967. The rate of advance slowed after 1964 when demand slackened, particularly in Western Europe.

Canada was the fastest growing of all the developed markets followed by Japan, the European Economic Community, and Australia/New Zealand/South Africa. All three of the latter markets expanded by roughly two-thirds in value in the five-year period. Although the rest of Western Europe lagged slightly behind the growth of other areas as an outlet for manufactures, its annual rate of expansion still averaged more than 10%.

U.S. growth equals world rate

Increasing at the same rate as our competitors' shipments to the economically advanced nations, U.S. manufactured exports climbed by $5½ billion between 1962 and 1967 to a value of $13.8 billion. While averaging a growth of 11% annually, these U.S. exports expanded erratically year by year. Sales in 1964 were especially buoyant, rising by 17% over the 1963 level. After a more modest expansion in 1965, exports of U.S. manufactures to developed markets climbed by 12% in 1966 and almost that fast again in 1967. Contributing to the somewhat uneven demand were periods of sluggish business activity in Western Europe, Canada, and Japan. Another contributory factor was the high level of domestic and military demand which diverted the interest of some U.S. manufacturers from the foreign market.

Canada and Australia/New Zealand/South Africa were the most buoyant markets for manufactured U.S. products, EEC and Japan the least buoyant. Our shipments to the first two areas approximately doubled; they rose by about 50% to the much smaller Japanese market and by only a third to the Common Market. These varying rates of expansion resulted in moderate to marked shifts in the U.S. share of the five developed area import markets.

After slipping by more than a percentage point in the intervening years, U.S. manufactures exported to developed areas regained their 1962 level of 22% in 1967. The weakening in 1963-66 reflected our decreased participation in the EEC and Japanese markets. The principal factor in the resurgence in 1967 was our preponderant supplier role in the expansive Canadian market.

Canadian market booms

U.S. deliveries to Canada in 1967 amounted to $5.8 billion. The doubling of the value of exports to our northern neighbor from 1962 stemmed from strong demand based on the generally fast pace of the Canadian economy and from the stimulus of the U.S.-Canadian Automotive Products Trade Agreement of 1965.

The United States share of the Canadian market for imported manufactures increased from 76% in 1962 to 81% in 1967. Far and away the most buoyant category of exports was transport equipment. Partly on the strength of the spurt in U.S. shipments of road motor vehicles and parts beginning in 1965 and, to a lesser extent, because of soaring sales of aircraft, the U.S. share of the Canadian market for this equipment climbed to 92% in 1967.

The U.S. position in Canada's $1.9 billion market for imported nonelectric machinery remained at about the same high level of 83½% in most of the 1962-67 period. Expansive sales and share gains for piston and aircraft engines helped counteract some deterioration in the proportion of the import market accounted for by U.S. computers, other office machinery, metalworking machines,

Second in series

The accompanying article presents the second in a new series of reports on changes in the U.S. competitive position in world markets for manufactured goods, 1962-67, appearing currently in *International Commerce*.

The first report, in last week's issue, presented an overall view. This week's report, on pages 9-12, summarizes the U.S. position in the developed areas. The next article will pinpoint the situation in developing countries. Others to follow will be devoted to major categories of manufactured goods.

The reports are being prepared by the Commerce Department's Bureau of International Commerce from special computer runs designed by the Bureau's International Trade Analysis Division and ordered from the United Nations International Trade Statistics Centre. The data is assembled in more than 1,100 Market Share Reports, available from Sales and Distribution, Room 2119, U.S. Department of Commerce, Washington, D.C. 20230. Country reports are 75 cents each; commodity reports, 10 cents. A catalog, listing the reports, also is available from Sales and Distribution.

U.S. share of manufactured exports gains in some developed areas

Destination	World exports			U.S. exports			U.S. share		
	1962	1967	Increase from '62 to '67	1962	1967	Increase from '62 to '67	1962	1967	Share index
	$ million	$ million	Percent	$ million	$ million	Percent	Percent	Percent	1962 = 100
Developed areas, total	**37,358**	**62,982**	**69**	**8,180**	**13,829**	**69**	**21.9**	**22.0**	**100**
Canada	3,817	7,237	90	2,903	5,836	101	76.1	80.6	106
EEC	16,127	27,079	68	2,452	3,220	31	15.2	11.9	78
Other Western Europe	13,434	21,969	64	1,569	2,638	68	11.6	12.0	103
Japan	1,134	1,954	72	671	997	49	59.2	51.0	86
Australia/New Zealand/ South Africa	2,847	4,743	67	584	1,138	95	20.5	24.0	117

Note: World exports are defined as those of Austria, Belgium-Luxembourg, Canada, Denmark, France, Federal Republic of Germany, Italy, Japan, Netherlands, Norway, Sweden, Switzerland, United Kingdom, and United States.
"Manufactured" exports cover chemicals, machinery, transport equipment, and other manufactures (principally metals, textiles, and various nondurable consumer goods) and exclude processed food, fats and oils, mineral fuel products, firearms of war, and ammunition.

and heating and cooling equipment.

Among other major categories, U.S. sales of iron and steel, though expanding by four-fifths to $188 million, did not keep pace with foreign sellers and our share of the growing Canadian import market dropped by 6%. U.S. goods also lost some ground in sales of metal manufactures. On the other hand, this country held its share of the sluggish Canadian textile market, and made substantial gains by supplying the major share of the sharply growing requirement for nonferrous metals.

In Australia/New Zealand/South Africa, a marked increase in U.S. exports of a wide variey of capital goods raised our total sales to $1.1 billion, substantially expanded our share of that market and enhanced its importance to this country as a customer. U.S. deliveries of transport equipment to the three countries in 1967 were roughly triple the 1962 level. Over the same period, our exports of electric machinery to the area rose by some 150% and those of nonelectric machinery doubled.

Among the more prominent manufactured commodities where U.S. products sold exceptionally well were aircraft, construction and mining machinery, materials handling equipment, electric power machinery, and non-road tractors. This list is heavily weighted toward meeting the requirements of the construction and extractive industries in those countries. The U.S. share of the Australia/New Zealand/South Africa market for each of these products rose between 1962 and 1967, with gains ranging up to 6 percentage points.

The U.S. share of the computer and statistical machines market in these countries fluctuated widely, rising by nearly 20 percentage points from 1962 to 1964 to 43% but dropping to 33% in 1967. Although U.S. sales of automotive electric equipment declined by around 12%, our share rose. The three countries comprising this market area were obviously relying more on domestic industries for these products. Despite substantial increases in the value of U.S. sales, our share fell, in some instances sharply, in several large-value exports such as trucks, aircraft engines, and plastic materials. U.S. sales of metalworking machinery declined by more than a fifth, to $18 million, and our share plummeted.

U.S. sales to West European countries other than the EEC generally advanced faster than the world average, as our exporters recorded substantial gains in deliveries for a wide range of products. Particularly expansive were sales of aircraft, computers, scientific and telecommunications equipment, and transistors. For all these products U.S. sales accounted for a larger share of the market in 1967 than in 1962. Relatively slower exports of road motor vehicles and nonferrous metals to these countries led to a slippage in the U.S. position. In summary, U.S. exports

Automotive equipment leads U.S. sales gains in Canada

Commodity	U.S. exports of major manufactures to Canada			
	1962	1967	1962	1967
	Value in $ millions		U.S. percent share	
Total	2,903	5,836	76.1	80.6
Road motor vehicles and parts	468	1,565	80.5	92.8
Non-air piston engines	58	250	80.1	87.8
Metal manufactures	168	225	79.9	76.0
Iron and steel products	108	188	63.5	59.8
Aircraft	37	170	71.0	92.5
Non-road tractors	73	142	81.9	85.3
Textile yarns and fabrics	119	134	52.5	53.0
Printed matter	81	130	85.8	83.8
Electric power machinery and switchgear	55	129	83.1	82.1
Materials handling equipment	52	115	87.2	86.9
Nonferrous metals	38	113	58.6	81.0
Pumps and centrifuges	41	112	81.3	87.5
Other manufactures	1,605	2,563	....	....

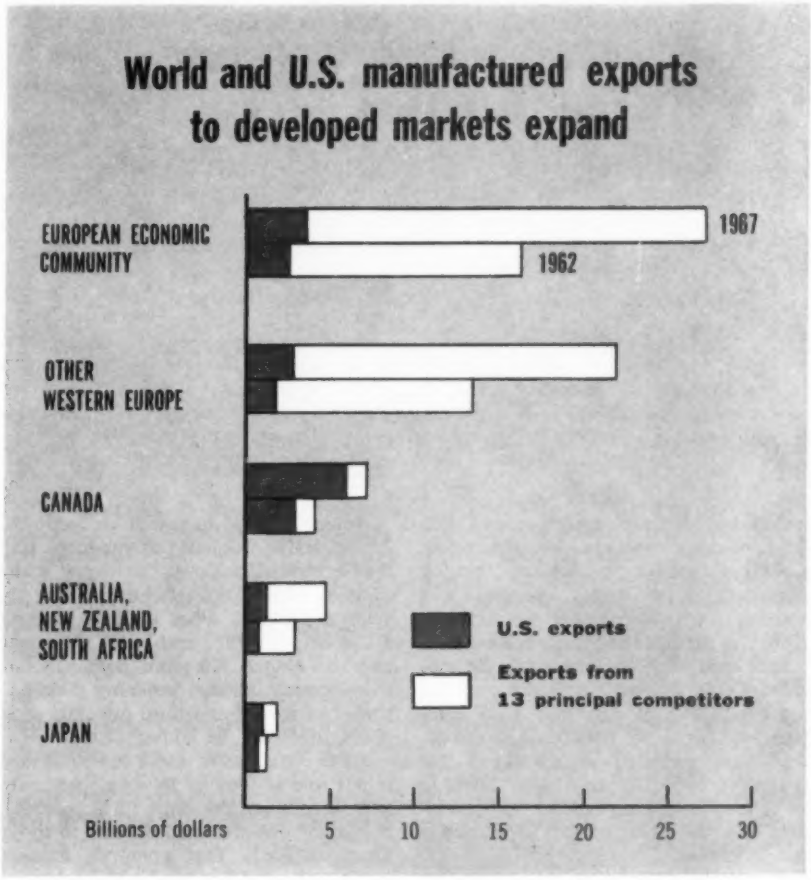
in 1967 accounted for 12% of this $22 billion import market for manufactures, a small gain from 1962. These countries continued to absorb nearly a fifth of all U.S. shipments of manufactured goods to the developed nations.

Share declines in EEC

U.S. sales of individual manufactures to the European Economic Community, totaling $3.2 billion in 1967, showed divergent trends over the five-year period. By 1967 the U.S. share of that import market had shrunk to 11.9%, a drop of more than a fifth from our 1962 standing.

Nevertheless, U.S. exporters outsold their competitors in several types of capital goods and industrial supplies. From 1962 to 1967 this country's share of world exports to the EEC expanded in kraft paper and paperboard, pumps and centrifuges, transistors and valves, materials handling equipment, electric power machinery, and photographic equipment and supplies. In 1967, U.S. sales of each of these goods to the Common Market exceeded $50 million. Computers and aircraft were other important products in which our share edged up as sales advanced considerably.

In the majority of product lines, however, the U.S. share declined sharply. In some cases, our sales also declined in value. Metalworking machinery exports dropped by $70 million from 1962 to 1967, and the U.S. share was cut by more than one-half. Sales of telecommunications equipment fell by $44 million, resulting in a decrease in our share from 48% in 1962 to 29% in 1967. Most other manufactures, on the other hand, followed the more familiar pattern of share losses despite sales increases, which were sometimes substantial. Exports of office machinery other than computers almost doubled to reach $92 million, but the U.S. share slipped. Deliveries of heating and cooling equipment, organic chemicals, plastic materials, construction machinery, and electric measuring and controlling equipment followed a similar course.



U.S. share position sags in EEC

Commodity	U.S. exports of major manufactures to EEC			
	1962	1967	1962	1967
	Value in $ millions		U.S. percent share	
Total	2,452	3,220	15.2	11.9
Aircraft	263	340	63.2	64.3
Organic chemicals	139	217	31.3	24.5
Nonferrous metals	142	165	17.6	11.4
Computers and statistical machines	59	142	28.7	30.2
Road motor vehicles and parts	90	116	7.1	4.9
Plastic materials	88	111	27.5	15.3
Scientific instruments	83	104	30.4	22.3
Other office machinery	52	92	35.0	31.2
Aircraft engines	133	90	46.9	38.0
Telecommunication equipment	133	88	47.7	29.3
Other manufactures	1,270	1,755	....	....

Japanese market sluggish

The 50% growth in U.S. sales of manufactured products to Japan was less than half as great as that of the other major free-world suppliers. Thus, by 1967 our share of that market had dropped by 14% compared to 1962. Nevertheless, the United States easily retained its position as principal supplier, accounting for just over half of the $2 billion in foreign manufactures shipped to Japan.

U.S. shipments of nonelectric machinery, the major manufactured import, dropped more sharply after 1962 than did those of other industrial suppliers. In that period, domestic manufacturers also began to provide strong competition to imports. Sales to Japan picked up again in 1967, but our share remained 7% less than at the beginning of the period.

Several types of U.S. machinery sold

U.S. share steady in developed markets; Japan, Italy gain

Exporting country	Exports of manufactures to developed areas			
	1962	1967	1962	1967
	Value in $ millions		Percent share	
United States	8,180	13,829	21.9	22.0
Germany	8,369	13,824	22.4	21.9
United Kingdom	5,104	7,035	13.7	11.2
France	3,140	5,243	8.4	8.3
Belgium-Luxembourg	2,629	4,576	7.0	7.3
Italy	2,145	4,546	5.7	7.2
Netherlands	1,865	3,354	4.9	5.3
Sweden	1,465	2,488	3.9	3.9
Japan	818	2,065	2.2	3.3

well in the Japanese market compared to those of other suppliers, notably tractors and other agricultural machinery, heating and cooling equipment, pumps, and powered tools. In contrast, however, the growth in exports of aircraft engines, computers and office equipment, textile machines, and metalworking machinery did not match that of other industrial countries, and our share declined. Japanese demand for imported metalworking machinery dropped from $182 million in 1962 to $58 million in 1967. U.S. products bore the brunt of the $124 million fall in sales.

U.S. chemicals, electrical machinery, and miscellaneous manufactures also experienced sizable declines in their share of the Japanese market.

These substantial losses were related in large measure to the strengthening of Japan's commercial ties with the European members of the Organization for Economic Cooperation and Development and to a change in the composition of the country's imports.

Although the U.S. share of the total manufactures market in developed areas as a group in 1967 had recovered to the 1962 level, a more detailed analysis of changes in the U.S. position in each of the five regions in each product indicates, on balance, a modest loss in share. If this loss had not occurred, U.S. sales to developed countries would have been approximately $350 million, or nearly 3%, higher than they were. The monetary equivalent of our share losses approached $750 million in the EEC and $50 million each in the rest of Western Europe and in Japan. The equivalent of a $420 million gain in shipments to Canada and a $60 million gain in sales to Australia/New Zealand/South Africa only partially offset these losses.

Among our top industrial competitors, Japan, Italy, Belgium-Luxembourg, and the Netherlands achieved the biggest share gains in sales of manufactures to the developed countries other than the United States between 1962 and 1967. Germany and the United Kingdom both suffered share losses, although retaining their positions as second and third principal suppliers, following the United States.

Japan continued to play a comparatively minor role as supplier to developed markets, accounting for only 3.3%, or $2.1 billion, of manufactured exports to those areas in 1967. That country's exports made substantial headway in the Australia/New Zealand/South Africa import market where participation grew from 7.6% to 11.7%. This improvement stemmed particularly from gains in transport equipment sales.

Italy's share of the developed markets expanded from 5.7% in 1962 to 7.2% in 1967, in large measure due to a marked increase in exports of selected machinery items, plastics, iron and steel, and various consumer goods. Share gains for Belgium-Luxembourg and the Netherlands were considerably more modest.

Despite Germany's gains in the Common Market and in Australia/New Zealand/South Africa, its position declined in the total developed areas market from 22.4% to 21.9% in the five-year period. The most significant loss was in transport equipment. If exports to the United States were included, however, Germany's share would have been unchanged. German sales of manufactures to the developed areas dropped fractionally in value below those of the United States in 1967 for the first time in five years.

The United Kingdom's proportion of all major developed markets except Japan declined in this period with the most severe drops in Canada and Australia/New Zealand/South Africa. Although Britain managed to remain the third principal supplier to these markets, its manufactured exports of $7 billion were far below those of the United States and Germany. France also suffered a fractional loss in share which was attributable to its failure to maintain its relative standing in overseas sales of transport equipment and miscellaneous manufactures.

Mobile trade fair to tour New Zealand, Australia in August

Seeds planted by a trans-Pacific mission about a year ago are coming up again this spring:

As a direct outgrowth of the Pan American Multi Mission to Australia and New Zealand last April and May, a mobile trade fair is now being planned for the same markets.

One of the mission participants, President Douglas A. Lapham of Diversified Liaison International, Inc., saw a potential market for hospital, medical, and surgical equipment and supplies in the two countries. His firm is now looking for companies interested in sending one or two top executives to the areas he visited, along with company products, printed materials, and other sales tools.

The mobile fair exhibitors, scheduled for Auckland, Brisbane, Melbourne, and Sydney Aug. 16-Sept. 6, will display their products and hold seminars and workshops at each stop.

Officials of Australian and New Zealand Government health agencies, State hospital commissions, hospital administrators, physicians, nurses and purchasing agents are planning to attend the sessions and exhibits to learn firsthand about the latest U.S. equipment, Lapham says.

Annual purchases of medical equipment and supplies for Australian Public Health facilities alone, says Lapham, are estimated at $100.8 million, according to recent surveys conducted by the organizing firm and its Australian associate, Peter T. Cabban.

The Commerce Department is cooperating in arrangements for the summer mobile trade fair.

For information on participation, **write:** Douglas A. Lapham, President, Diversified Liaison International, Inc., 9 East 47th St., New York, N.Y. 10017.

Eximbank aids sales at Novi Sad, Seoul shows now under way

The Export-Import Bank has been making a major effort to assist sales of American products at the Commerce Department-organized U.S. Exhibition at the agricultural fair at Novi Sad, Yugoslavia, May 9-19, through a $1 million relending credit established in favor of the Yugoslav Agricultural Bank. Under the Eximbank credit, the Yugoslav bank has been able to make subloans to Yugoslav buyers covering 90% of the contract price of individual items of U.S. equipment purchased as a result of the fair. The remaining 10% was to be paid in cash. Repayment of these subloans will be on terms normal for such products in international commerce.

In addition to the new relending credit, U.S. exhibitors are able to extend protected credit to their Yugoslav customers through Eximbank's commercial bank guarantee program, as well as through the facilities of the Foreign Credit Insurance Association.

Also in Korea

Meanwhile the Eximbank commercial bank guarantee program and the facilities of the Foreign Credit Insurance Association are assisting sales at the U.S. Industrial Machinery Exhibition at Seoul, Korea, May 8-17.

To provide maximum service to American exporters and their customers, two loan officers of Eximbank, were in attendance at the Novi Sad Fair. They were prepared to discuss details of credit and financing of specific transactions negotiated at the Fair. In addition, the Chase Manhattan Bank, N.A. of New York had a representative at the fair to discuss export financing.

The Novi Sad Fair is the main exhibition presenting American farm machinery and food-processing equipment to the Yugoslav market. Formerly, the U.S. has managed only small export sales of this type of equipment to that area, but due to a stronger interest in exporting food, Yugoslavia's need for modern machinery has increased.

Novi Sad and Seoul offer examples of growing cooperation between Department of Commerce sponsored promotions and the Eximbank. Representatives of Eximbank were also in attendance at a machinery show in Brazi last October, and at PURAQUA in Rome this February.

USSR invites Americans to invention and patent symposium this summer

Americans are being invited to participate in a scientific symposium, Inventive Activity and Patent Retrieval, in Moscow July 1-5, by the Soviet Committee of Inventions and Discoveries.

The program covers two major areas: The role of inventors and scientific and technical progress in the USSR, and problems of patent information retrieval.

Discussions will range over the development of Soviet inventors in the past 50 years, an exchange of information in patenting and licensing activities, and the question of establishing closer contacts between Soviet and foreign specialists in these fields.

The languages of the symposium will include Russian, English, German, French and Spanish.

Persons interested may **write:** Organization Committee "IZPO", Maly Cherkassky Pereulok, 2/6, Moscow-Center, USSR.

Food store equipment fair planned for Dublin in Sept.

In conjunction with the Irish International Food and Drink Fair, a food store Shop Equipment Show will be held in Dublin, Aug. 30-Sept. 4.

A previous equipment show was held in 1966, at which time 41 firms participated with lighting, refrigeration, shelving, flooring, cash-registers and other machinery exhibits. About 5,000 visitors attended the show, including retailers, shopfitters, builders and suppliers.

For further information about the Irish show, **write:** Industrial and Trade Fairs Ltd., 39 Upper Fitzwilliam St., Dublin 2, Ireland.

International Souvenir, Gift exhibit planned for autumn

The Fifth International Souvenir and Gift Salon will be held in Wiesbaden, Germany, Oct. 11-13, at the Rhein-Main-Halle.

Ten different nations were represented among the 195 exhibitors at last year's fair, and 2,779 trade visitors attended from 27 nations.

American firms interested in this exhibition should **write:** Mauritius-Verlags- und Messegesellschaft m.b.H., 62 Wiesbaden, Kleine-Wilhelm-Strasse 5-7, Germany.

EXHIBITION BRIEFS *WORLDWIDE*

MANUFACTURING OPPORTUNITIES SHOW, TORONTO, CANADA, Feb. 18-20. 14 U.S. firms were among the more than 200 exhibitors at the show which attracted over 5,000 businessmen. The show, which primarily featured displays for Canadian manufacturers of components imported into Canada, also had several exhibits of inventions. The Invention Marketing Institute of California exhibited 20 new products and 20 inventions and, through slides, presented an additional 100 new products and inventions. In all, 81 inventors displayed 251 inventions, and 52 companies showed about 61 new products. Dates for the next show have not been set.

5th LUXEMBOURG CAMPING AND CARAVANING FAIR, LUXEMBOURG, Mar. 1-9. Five U.S. exhibitors had displays at Europleinair. Main products included house and tent trailers, boats, tents, camping equipment, sports equipment, clothes, games, power garden equipment and outdoor furniture. Good potential exists in the Benelux area for U.S. companies manufacturing competitive and well designed outdoor equipment. Next show, March 1970.

GARDEN AND PARK 1969, UTRECHT, NETHERLANDS, Jan. 21-25. Of the 367 firms represented at the fair, including 36 U.S. companies, a total of 201 had exhibits; there were no direct American exhibitors. 13 countries were represented at the show. About 20,000 visitors, 5,000 more than the previous show, were classified as 90% trade visitors. Exhibitor reaction indicates that this show is an excellent vehicle for promoting products related to landscaping and maintenance of parks and gardens. Next show, Jan. 1971.

INTERNATIONAL FRANKFURT SPRING FAIR, FRANKFURT, GERMANY, Feb. 23-27. 2,888 direct exhibitors and 324 firms represented by others, an increase over previous years, were from 43 countries. U.S. exhibitors included 19 by direct participation and 40 by other representatives. 90-95% of the 78,000 visitors a 6% rise from 1968, are considered trade visitors, and represented 79 countries. Although sales figures are not available, the show is recommended as a good promotion for musical instruments in particular, also for floor coverings and home textiles. Next fair, Aug. 24-27.

A REPETITION OF THIS SCENE may be visible in Japan this October as another U.S. sponsored electronics equipment exhibition is being prepared. The consultation above occurred at the General Electric Co. display at the Tokyo U.S. Trade Center's electronics equipment show last September.

Electronic equipment exhibition will aid U.S. manufacturers in Japanese Market

Similar event last year at Trade Center brought $8 million sales forecast; Japan now second to U.S. in electronics field

U.S. makers of electronics production equipment will get help in cultivating one of the world's most fertile markets when the Department of Commerce sponsors an exhibition at the Japan Electronics Show in Osaka, Oct. 1-7.

Staged by the Department's Bureau of International Commerce, the display will feature equipment for producing integrated circuits, printed circuit boards, semi-conductor materials, and discrete semi-conductor components, as well as large-scale wire interconnecting equipment. In October 1966, 40 U.S. firms that displayed electronics production equipment in a Commerce-sponsored show at the U.S. Trade Center in Tokyo reported first-year sales of $4.5 million. Eighty-six U.S. firms showing electronics equipment and components at the Japan Electronics Show last Sept. 17-23, reported floor sales of $453,000 and predicted first-year follow-up orders of over $7.8 million.

Japan now ranks second to the U.S. in output of electronics products. Manufacturers in the Asian nation spent an estimated $32.8 million on electronics production equipment in the fiscal year ending Mar. 31, 1969. Imports accounted for over half this expenditure.

Japanese manufacturers are receptive to the latest U.S. equipment that meets their industrial and commercial requirements.

Commerce market research indicates that the following types of equipment are among those most likely to find Japanese buyers:

► Integrated circuit production equipment—electrical parameter testers; thermo- or heat-scanning equipment; automatic drafting equipment; high-precision silk screen printers; thick or thin film trimming adjusting equipment; automatic probing equipment; cathode sputtering film deposition equipment; photo-resist coater, roll, spin and spray equipment; high-precision mask alignment and exposing equipment; wire bonders; and hermetic seal testers.

► Printed circuit board production equipment—photo resist applicators for P.C. boards; wave soldering equipment; chemical etchers, vertical, horizontal spray type; drilling machines; silk screen printing machines, powered circuit board type; solder and lead trimming equipment; spray coaters; vacuum coaters; plastic shrink packaging; automatic drafting machines; and solder levelers.

► Large-scale wire interconnecting equipment—insulation cutters and strippers, auto programmed; automatic wiring machines; X-Y axis positioning tables, N.C. (for "semi-auto" wire-wrapping tools); automatic wire processing equipment, except insulation cutters and strippers; and automatic circuit testers (N.C.).

► Semi-conductor material production equipment—crystal pulling furnaces; slicing machines; epitaxial layer growing furnaces; polishing machines; infrared analyzers; gas flowmeters; plasma crystal growers; doping and diffusion furnaces; inspection equipment; dryers; and wafer sorters.

► Discrete semi-conductor component production equipment—automatic feeding, positioning and assembling equipment; leak testers; glass capsule forming equipment; glass-metal sealing machines; lead bending and forming machines; and plastic encapsulating machines.

The Commerce exhibition at the Japan Electronics Show will be preceeded by an intensive BIC market development campaign designed to insure maximum attendance by Japanese buyers, agents, licensees and representatives.

U.S. manufacturers of production equipment for integrated circuits, printed circuit boards, semi-conductor materials, and discrete semi-conductor components and large-scale wire interconnecting equipment who are interested in the October exhibition at Osaka may obtain further information from the U.S. Department of Commerce (BIC-936), Washington, D.C. 20230, Area Code 202, 967-4705, or from any Commerce field office.

Berlin Industries Fair is scheduled for autumn

The 1969 Berlin Industries Fair is to be held Sept. 19-28. The overall theme this year will be research and modern production methods. For further information, **write:** Berliner Ausstellungen, Eigenbretrieb von Berlin, Messedamm 22, 1 Berlin 19, Germany.

U.S. sales grow in Mexico

Shipments topped $1.2 billion in 1968; imports to rise about 10% in 1969

By DOUGLASS K. BALLENTINE

Commercial Attache, U.S. Embassy, Mexico City

The Mexican market in 1969 will provide highly attractive export opportunities to U.S. traders. Total U.S. sales in this market last year were over $1.2 billion, and can well exceed that figure substantially during the present year.

BALLENTINE

The Mexican economy is likely to grow at about the same rapid clip as in 1968, when the rate was 7.1%, sparked mainly by industrial growth. Private industry demand for producer goods will continue strong, and public demand will probably increase as the Government pushes its projects toward completion by the end of the administration's term at the end of 1970.

Despite a very large trade gap, Mexico will have adequate foreign exchange income and reserves to finance a high and rising level of the imports necessary to support a strong advance in the country's industrial and social development.

Preparation for the Mexico City Olympics was the dominant factor on the Mexican economic and business scene in 1968, and the winding up of public projects promises to be the most important factor in 1969 and 1970. This next-to-last year of the Díaz Ordaz Administration will have a politically dominant theme, for the ruling Institutional Revolutionary Party (PRI) will select its presidential candidate late in the autumn, and public interest will center on this process through most of the year.

The gross national product in constant prices increased by 7.1% in 1968, stimulated by the preparations for the Olympic Games and the heavy investment of the private sector. The GNP in current prices grew by 10.9% to the equivalent of $26.7 billion, or $564 per capita. Prices rose by some 3.5%, which was somewhat less than in 1967.

Manufacturing and construction led the general advance with a rate of increase of 9% each. Agricultural production increased by a solid 4%; the cotton crop was 20.5% larger than in 1967, due to improved growing conditions. Minerals and petroleum output together grew by 5.1% with all important minerals except sulphur and zinc registering increases.

The trade account in the balance of payments ran an increasing deficit during the first half of the year, but improved during the latter part of 1968. Nevertheless, for the year as a whole the excess of imports over exports reached $782 million compared to $644 million a year earlier. The tourism and border transaction accounts taken together showed a growing surplus, however, $510 million compared to $431 million the previous year. The current account deficit reached $596 million, but long term capital inflows plus short term capital inflows and errors and omissions more than covered it, and in fact resulted in an increase of $49 million in gross reserves. Net reserves of foreign exchange stood at $602 million at the end of 1968.

The budget for 1969 is $5,288 million, a 7.6% increase over 1968. Of this total, $2,121 million is for the central government and $3,167 million is for the decentralized agencies and other government enterprises. By function, $2,809 million is earmarked for economic development and $1,681 for social development. Actual public income and expenditures traditionally run well above the budgeted amounts, and judging from past performance they may exceed $7 billion.

Rapid trade growth

Foreign trade grew rapidly in 1968; merchandise exports rose by 6.7% following an absolute decline in 1967, and total exports of goods and services increased by 12.2%. Merchandise imports grew by 12.1%, while total imports of goods and services rose by 13.4%. The United States supplied imports to Mexico valued at $1,235 million, 63% of the total imports, and purchased $707 million of its exports, 60% of Mexico's sales abroad. These data were taken from Mexican foreign trade statistics. United States statistics show U.S. exports to Mexico totaled $1,364.6 million and that U.S. imports from Mexico reached $893.4 million.

Mexico's trade with the LAFTA countries again increased appreciably; exports rose by 8.8% to $62 million and imports by 10.9% to $43 million. The proportion of manufactures in total exports rose compared to previous years, reaching nearly 22%; total exports of manufactures amounted to $259 million, 10.2% above the 1967 total.

Foreign trade promises to increase rapidly again in 1969. Exports should increase somewhat more rapidly, and imports may grow at a slightly reduced rate as the authorities work to bring the trade account into better balance.

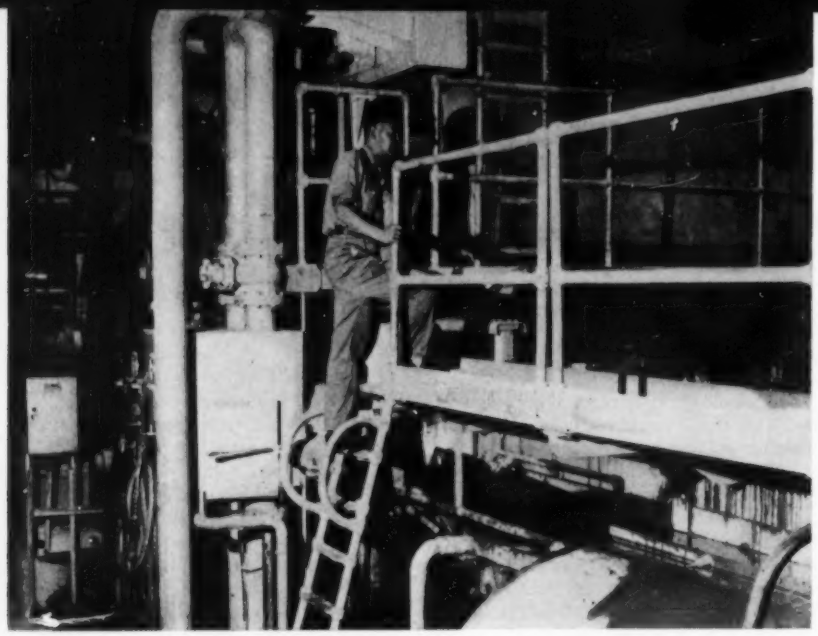
Export outlook bright

On the export side, the outlook for sales of agricultural products abroad is very good, and they account for about half of Mexico's total export trade. With the large cotton crop and currently favorable prices, cotton sales abroad should contribute importantly to an improved export position. Fruit and vegetable sales to the United States are likely to set new records. Sales of sugar to the U.S. at currently favorable prices promise to bring somewhat greater returns than in 1968. Live cattle and meat sales seem likely to be 5-10% above last year. Coffee exports should equal last year's, and a large surplus of corn is available for disposal abroad if advantageous arrangements can be made for its sale.

Exports of minerals—which account for nearly one-quarter of total exports—seem likely to equal or slightly exceed 1968 levels. The value of sulphur exports may decline slightly due to lower prices, and petroleum exports should approximately hold steady. Most other metals and minerals seem likely to be sold abroad in somewhat larger amounts in 1969.

Tourism should continue its yearly increase on the order of 15%. Special emphasis is being given to providing new tourist facilities, particularly in areas which have strong potential but have not yet become tourism centers, and these efforts should begin to bear fruit in 1969. Sales of goods and services to visitors from the United States in the border areas should increase on the same scale.

Imports also should increase, but perhaps in lesser degree than in 1968. Mexico chronically has its large excess of imports over exports offset by capital inflows. This is tolerated in the interests of



MEXICAN DEMAND FOR CAPITAL GOODS IMPORTS of a specialized nature or advanced design is expected to remain strong. This machinery is located in the Scott paper plant at San Cristobal.

development, but a trade gap on the order of last year's seems likely to lead to both greater export promotion efforts and a general tightening up on imports. Imports may therefore grow at a rate of about 10 to 11%.

The demand for capital goods imports will probably continue to be strong, especially for machinery and equipment of a specialized nature and advanced design. Demand for components and raw material imports may ease somewhat as Mexico endeavors to make do with what it produces to the greatest extent possible. Imports of consumer goods may be cut back somewhat, although the necessity to meet tourist demand probably will prevent large reductions.

Less protective attitude

The recent tendency to be somewhat more selective in affording protection to domestic industry may not be quite as evident in 1969 because of a desire to depend more on domestic production to reduce pressures on the balance of payments.

A tendency to restrain overall import growth plus strenuous efforts to complete government works in progress by the end of 1970, when the present administration leaves office, seem likely to cause public imports to rise more than private imports. The shift should not be large, however, as the authorities will not wish to discourage private investment, the main motor of economic development, and public investment as a general rule requires proportionately fewer imports than private investment.

The public investment program recently announced by the Secretary of the Presidency calls for a total outlay of $2.2 billion. Of this amount, $912 million or 40% will be invested in the industrial field, in large part in state-owned industries such as petroleum and petrochemicals, electric power, steel, and fertilizer.

A total of $464 million will be used to improve transportation and communications, including the building of new feeder roads, and improvements in rail, port, airport and telecommunications services and facilities. Approximately one-quarter of the total, $528 million, will be devoted to social welfare purposes such as potable water systems, public health services, educational facilities, and general improvement in public services in rural towns. These investments will be mainly in programs already approved and under way.

Export opportunities are to be found in a wide variety of industrial fields in the Mexican market. Even the branches of industry in a firmly established producing position, such as automobiles, fertilizers, and agricultural machinery, require foreign components and some specialized raw materials, and a considerable number of sophisticated end-products will continue to be acquired abroad.

Imports of pharmaceutical materials will remain large, as well as chemical specialties and some raw materials. Demand for steel scrap will be strong, despite the establishment of sponge iron reduction facilities, and imports of copper are likely to increase, pending the development and exploitation of newly discovered deposits of copper ore. Demand for imported newsprint and specialty papers will continue unabated.

Enthusiastic response to recent promotions of visits by Mexican businessmen to U.S. trade shows indicates that there is keen interest in the purchase of U.S. textile machinery, and dairy product and other food packaging machinery. U.S. mobile exhibits have proven that there is an important market for industrial instrumentation in Mexico. The U.S. exhibition of metal-working machinery in 1966 was a huge success, and another is planned for September.

Real opportunities

Recent trade data show some important areas in which U.S. exporters have real opportunities to increase the U.S. share of the Mexican market and improve their export earnings at the same time. These include:

► The U.S. share of the $13 million Mexican market for imported antibiotics has been reduced from 58% to 33% in the last few years;

► The United States is supplying only 20% of imports of structural materials worth $6 million, and one-half of a $2 million market for steel storage tanks;

► The Mexican market for imported textile machinery almost quadrupled in a period of four years, but the United States supplied only 38% of annual imports of $40 million;

► In the same four-year period the market for imported paper mill machinery almost trebled, reaching nearly $10 million; the U.S. share was 48%;

► Annual sales of imported printing and binding machinery have reached nearly $15 million; U.S. exporters supplied 52% of that amount;

► The United States supplied 57% of imports of heating and cooling equipment which have reached an annual figure of $30 million;

► Telecommunications equipment imports tripled in a four-year period, reaching $36 million, and the U.S. share was only 13.6%.

► Imports of x-ray apparatus have been running at about $2 million annually, and the U.S. share has varied from 11 to 30%.

These examples show that while U.S. exporters have great opportunities to sell in the Mexican market, the competition is extremely keen. European and Japanese suppliers are aggressively promoting their products and offering first rate technical advisory and maintenance services. Of prime importance, they are offering liberal export credit terms, without which there is little hope of making a first-rate showing in sales to Mexico.

Iceland seeks diversity

Recognizes need for private foreign assistance and capital in modernizing economy

By HELEN E. KAVAN
Economic Officer, U.S. Embassy, Reykjavik

Iceland's plans for economic diversification with the assistance of foreign capital have been accelerated during the past year in order to improve long-term economic growth.

New policies and arrangements for industrial diversification were adopted by Iceland three years ago as a long range means of providing alternate sources of earning to supplement the fishing industry (which constitutes 20% of the national product and accounts for 92% of Iceland's export earnings) and of providing employment to its growing labor force.

Under agreement with the Government of Iceland, the first results of these policies were the establishment of a diatomite plant with Johns-Manville, a Swiss-financed aluminum smelter, and a major hydroelectric power project. These projects are already bringing significant economic benefits to Iceland in terms of domestic income and employment and will contribute significantly to Iceland's future foreign exchange earnings.

Handicapped by a scarcity of capital and over-reliance on the fisheries (whose failure in the past two years has reversed previous high rates of growth), but endowed with a highly literate and homogeneous population, Iceland and its authorities are looking to foreign investment, both private and public, to provide the needed capital, technology and marketing techniques, and market availability. Iceland is pursuing prospects of new industries both large and small, particularly those which could exploit its low cost hydroelectric and geothermal energy.

The first fruits of Iceland's efforts to diversify its export production with the assistance of American private investment came last year with the completion of a 12,000-ton diatomite plant. The plant was built and is being operated by Kisilidjan, h.f. in which Johns-Manville has 48% equity and the Government of Iceland and the local municipality the remainder. Located at Lake Myvatn in the north of Iceland, the plant, utilizing the area's natural geothermal power is employing a unique process by extracting the fossilized remains of microscopic marine life found in the lake for processing into diatomite, a fine filter material. Preliminary production has yielded a high quality product for export.

Total investment capital, which thus far is approximately $3 million, has been provided by Johns-Manville, private borrowings, and an Eximbank loan of $850,000 used to finance purchases of American equipment. Plans were recently announced to consider doubling the annual capacity of the plant to 24,000 tons per year, which appears profitable in view of the quality of diatomite being produced and the prospects of favorable markets.

To begin in fall

Construction would begin in the fall of this year with completion of the new capacity by mid-1970. Additional capital investment required is estimated at somewhat over $2 million.

A more ambitious undertaking is the aluminum smelter being constructed at Straumsvik, on the outskirts of greater Reykjavik. Financed by Alusuisse and operated by its wholly-owned subsidiary, Icelandic Aluminum Co. (ISAL), the smelter is being built to an eventual annual production capacity of 60,000 tons of aluminum ingots and extrusions for export. Production at 30,000 tons annual capacity will being in August or September, and production and equipment tests with trial shipments of alumina from Guinea are commencing shortly. Related harbor facilities being constructed will permit the reception of ships up to 60,000 tons.

Completion of the aluminum plant's full 60,000-tons capacity is now being projected for 1972. Cost of construction for full capacity has been estimated at $48.3 million. Of this amount, $16.1 million represents equity investment by ISAL and the remainder sales of bonds on European capital markets and medium-term suppliers credits.

Geared to the establishment of the aluminum smelter is the Burfell Hydroelectric Project which is being built by Landsvirkjun, the national power company. Consulting engineers are the U.S. firm, Harza Engineering Co., Ltd. Located on the Thjorsa River (whose basin's

DIATOMITE PROJECTS are expected to contribute significantly to Iceland's future foreign exchange earnings. Below, a diatomite plant and drying tower in process of construction.

annual energy production potential is estimated at 9,600 million kw.) approximately 100 kilometers east of Reykjavik, the plant will be built eventually to a capacity of 210,000 kw. Its first stage capacity of 105,000 kw. is to be completed in September. Under long term contract, 60,000 kw. is to be provided for the first stage operation of the aluminum smelter. Landsvirkjun is to make available an additional 60,000 kw. to ISAL when the latter reaches full capacity. The remaining capacity will provide low cost power to the domestic market.

Cost of the first 105,000 kw. stage is estimated at the equivalent of $34.6 million, of which $18 million was provided through a World Bank loan, $12 million from private borrowings in the United States, and $1.5 million in supplier's credits from German sources. Plans are now being implemented to complete construction to full 120,000 kw. capacity by 1972, somewhat earlier than originally planned. Construction to full capacity will call for an additional $7.5 million in foreign borrowings, and is geared to the timetable of construction for the Straumsvik aluminum plant.

The availability of low cost hydroelectric power and the yet untapped sources of hydroelectric energy are spurring efforts to attract power-intensive industry. Earlier this year, the Government announced the establishment of an Industrial Development Commission, under the chairmanship of the Minister of Industry, to explore development of new power-intensive industries in Iceland over a 10- to 20-year period. Represented on the Commission are the Central Bank, National Research Council, and development and power authorities.

Since power is a major cost component of the process of refining aluminum, Icelandic authorities believe the comparative advantage of low cost power is attractive to the establishment of a second aluminum plant. Envisaged in collaboration with private industry to establish and operate a plant and to provide for the supply of raw materials and markets for finished products. Discussions are being undertaken with an American concern.

U.S. interests may help

The domestic market for refined petroleum products (gasoline, fuel oil and diesel oil) has prompted consideration of constructing a petroleum refinery in Iceland with U.S. interests. A related consideration is the feasibility of a petrochemicals industry, possibly in conjunction with plans for a sea chemicals industry. These new industrial possibilities are being explored by the Minister of Industry and the Director of the Central Bank.

The Icelandic Government is also interested in discussing leasing arrangements with American firms for exploration and off-shore drilling of Iceland's continental shelf. A bill recently passed by the Icelandic Parliament (Althing) defines the jurisdiction of the Icelandic State over the continental shelf around Iceland, and follows for the most part the 1958 Geneva Continental Shelf Convention.

The Icelandic continental shelf is completely unresearched and what mineral resources it may contain are not yet known. An inquiry by a drilling concern in South America has heightened Iceland's interest in exploring its off-shore resources.

Directed to establishing a sea chemicals industry in Iceland, the National Research Council of Iceland has conducted studies during the past three years on the recovery of minerals from sea water and geothermal brine using electricity and natural geothermal steam. Recent studies have considered a salt extraction industry as a first step toward the establishment of a chemicals industry. It is believed that the availability of both brine with heavy salt content and natural geothermal steam at Reykjanes (25 kilometers southwest of Keflavik International Airport), coupled with the considerable steampower required for salt extraction, provide the elements of a competitive industry.

The latest (March) in a series of feasibility studies on such salt recovery at Reykjanes indicates it is technically and

CONCERN OVER EXCLUSION from trading arrangements led Iceland to apply for EFTA membership. Port of Reykjavik, below, handles most foreign trade.

economically possible to produce vacuum salt for industrial uses in Iceland and for export at competitive prices. Assumed, initially, is a capacity of 250,000 tons plus 58,000 tons of 80% calcium chloride, 25,000 tons of potash and 700 tons of bromine. Costs are estimated at $11.5 million for on-site investment and $1.3 million for off-site storage and transportation facilities. Local sales and export value (f.o.b.) is calculated at $4.2 million. Preliminary market analyses conducted by the Battelle Institute in Geneva indicate favorable prospects.

A related step would be a caustic soda plant and/or other elements of a sea chemicals industry. These would be located at Straumsvik, site of the aluminum plant, where the closest harbor for large scale export is situated. Icelandic authorities are interested in the possibility of a consortium or cooperation with a foreign producer.

Iceland, which is young geologically, has few proven mineral resources although exhaustive surveys have not yet been conducted. Iceland's major mineral products have been raw materials for domestic cement production and spar and pumice. The exploitation of pumice deposits for export production is now being considered by two local firms which are particularly interested in the U.S. market. Perlite deposits have been identified in various parts of the island and those found on the East coast appear most promising. Tests are continuing by Johns-Manville and European research teams to determine whether the East coast deposits, which are of the quality used for insulating boards, are commercially exploitable. Findings of strains of copper on the Southeast Coast of Iceland are soon to be surveyed under a grant from the U.N.

Markets of scale sought

Concern over Iceland's exclusion from trading arrangements and the effect of EFTA and EEC on Icelandic exports prompted a governmental decision last fall to apply to EFTA (European Free Trade Association) for membership, and negotiations are now being conducted with EFTA over terms of accession.

Proponents of Iceland's accession to EFTA look to the promise of duty free markets of scale in the EFTA countries as a spur to diversification and more rapid industrial development. Establishment of a healthy manufacturing industry would be possible since it could produce for foreign as well as domestic markets. Existing manufacturing industry, designed to meet domestic consumption needs, is small scale and dependent on foreign raw materials or semi-manufactured goods.

LOW COST POWER is one of the chief attractions which Iceland's authorities are hoping will attract power intensive industries to the island nation. Above, a powerhouse at the Burfell Project.

An element in Iceland's drive for diversification and industrialization is to create employment for its growing labor force. Numbering approximately 83,500 in 1968, the labor force is expected to increase by 1,700 per year. Approximately 25% of the labor force is now engaged in manufacturing (including fish processing), 12% in construction, 6% in fishing, and 16% in agriculture, with the remainder in services, communications and other fields. The power intensive industries being established are expected to provide income which may be used eventually to develop labor-intensive industries as a source of employment for the new people entering the labor market.

On a smaller scale, prospects are being explored for establishing new industries for domestic consumption or export which enjoy some comparative advantage, such as plastics, electronics, and/or are based on domestic raw materials such as woolen items and skins. Since the domestic market (200,000 population) is too small to sustain a significant degree of industrialization and diversification, prospects are largely directed toward the expansion of existing and creation of new industries for export.

A successful cottage craft industry in wollen items has already been developed by an American concern, Icelandic Imports, Inc. of New York. Expansion of the tanning industry to substitute for the export of raw sheep skins is now being carried out. Studies are being conducted on the use of plastic containers for packing fish on board fishing vessels with a view to establishing such an industry.

Also under consideration is expansion of a plant to manufacture fishing nets, possibly with foreign participation. A long-range domestic shipbuilding program to replace the building abroad of some ships envisages the use of medium- and long-term suppliers' credits for component parts to be used.

Iceland's rugged and dramatic landscape with its mountains, glaciers, and wealth of waterfalls has long been a tourist attraction. Means of further developing tourism, including sports fishing, which peaks in June-August, are being actively pursued by commercial interests and various Icelandic authorities, including the State Council on Tourism.

Iceland is served by a weekly Pan American (U.S.-Europe) flight, daily U.S.-Luxembourg Loftleidir (Icelandic Airlines) flights, and Flugfelag Islands (Icelandair) conections to the continent. Stress is now being placed on attracting conventions and conferences, which would draw North American and European clientele to Iceland.

In pursuing development, Iceland is seeking assistance from U.S. industry as the best source of skills and talents needed to maximize its industrial potential. It is particularly seeking cooperation with private industry to provide the needed technical expertise and know-how and capital in its efforts to diversify.

Swiss economic activity expected to move ahead at about 1968 rate

Growing consumer demand, higher incomes point to favorable year for U.S. exporters, especially in production equipment

According to present estimates, the Swiss economy during 1969 should continue to advance at about the same rate as 1968, which saw the GNP in real terms move ahead by 3.6%.

The export industry was the principal impetus to the economy in 1968, the rate of increase in exports more than doubling from the previous year, according to the semi-annual Economic Trends Report from the U.S. Embassy in Bern.

Imports also increased, but not as rapidly as exports, with the result that the Swiss commercial trade deficit dropped to about $475 million from $609.5 million in 1967.

With U.S. export sales to Switzerland amounting to almost $404 million in 1968, the United States continued to hold on to fourth place among the country's principal suppliers. Thanks largely to the sale of civil aircraft during the year, U.S. exports to Switzerland increased by 16.6% over 1967, further boosting their share of the Swiss market to almost 9% of total imports.

Even without the sale of such nonrecurring items as aircraft, growing consumer demand and higher incomes point to another favorable year for the American exporter. This should also be true —once again—in the area of capital goods designed for increasing and rationalizing production. Electronic equipment, including computers, should also be in high demand this year. Already, Switzerland is the second highest per-capita user of computers in the world (almost all of them purchased in the United States), and interest in this type of equipment remains strong.

With the labor shortage driving up the price of services faster than that of goods, a growing need for service equipment that demands little or no labor is also making itself felt in Switzerland. An example of this is minute-car-wash equipment, which last year for the first time began operating throughout the country. At the same time, even this type of equipment demands some labor, thus opening up a market for the less expensive do-it-yourself car wash operations that have proliferated in recent years in the United States.

Other service equipment, such as laundromats and automatic dry-cleaning facilities, should also find a ready market in Switzerland, particularly in the fast growing apartment complex shopping centers now beginning to dot the country.

Rising incomes and an expected upturn in domestic consumption should provide good opportunities for exporters of American consumer products. Items in demand will include toys, games, sporting equipment, all types of do-it-yourself products, leisure-time clothing, and labor saving household devices, especially of the cordless variety. U.S. food products should also benefit from rising consumer demands with bottled juices, poultry parts, canned fruits, prepared foodstuffs, and to a lesser degree, beef products, leading the way in purchases.

Trade plays big role

For 1969, foreign trade should again play a large part in the upward movement of the Swiss economy, though exports are not expected to increase at the same rate as last year. Export figures for the final quarter of 1968, while high, already showed a slowing down from the gains of the previous quarter.

On the import side, the rate of increase for 1969 should be higher than last year, when imports advanced by 9.2% over 1967. This trend was already obvious in the final quarter of 1968, as imports increased by 16.6% over the last quarter of 1967. The rate of increase was highest in raw materials, semi-finished products, and consumer goods, and these same materials probably will provide the bulk of the increases in imports this year.

After a year which saw domestic private consumption advance by only 2.3% in real value terms, prospects for 1969 indicate that a higher rate of increase can be expected in this sector. Once again, this trend was evident in the final quarter of 1968, when private consumption moved ahead by almost 6% over the same period of the previous year. Higher wages and sizable boosts in social welfare payments are expected to contribute to the increase in domestic consumption, with good quality products leading the way.

Investment in 1968 rose by 2.5%, with the greater part of the increase coming from the public sector. Construction went up by almost 7% over the previous year, and should advance at an even more marked rate in 1969, judging from the number of industrial building permits (up 15%) applied for in 1968.

At the same time, industrial investment should also show a moderate increase, with a good portion of the investment devoted to the transportation, construction, and service industries, and a smaller amount to industrial concerns. Of the latter, much of the investment will be earmarked for existing plants.

Production, despite the continuing labor shortage, should increase once again this year. As in 1968, the chemical, machine and graphic arts industries, all export oriented, are expected to have the highest rates of productivity increases.

The 1968 productivity advances (as well as the anticipated increase this year) are attributed officially to an expansion of industrial rationalization and greater mobility of labor from less progressive to more dynamic industries. Nevertheless, the labor shortage could put severe strains on production increases as the year goes on, since many plants are now operating at very close to capacity.

Despite a more liberal policy regarding the movement of foreigners from one Swiss industry to another, the labor situation remains as acute as ever, and could possibly worsen. In the latter part of March the Federal Council ordered another 2% reduction in the quota of foreign laborers permitted in individual enterprises thereby further tightening the labor market. As a consequence, Swiss industry will increasingly have to turn to rationalization and restructuring in order to meet demand and at the same time keep inflationary tendencies in check. Once again, evidence of this concern is reflected in imports of machinery and other equipment, which rose by over 9% in 1968.

Although the increasingly higher interest rates on the European market attracted important amounts of funds from Switzerland, Swiss interest rates remained among the lowest in Europe and there are no signs as yet of a basic shortage of capital. The Swiss National Bank, which maintains a general control on foreign borrowings in Switzerland, further continued its more liberal policy of permitting foreign borrowing to siphon off excess liquidity that came into Switzerland in the form of flight capital during the various currency disturbances in 1968.

Malawi recovers from recession due to poor agricultural production; good potential for U.S. exports

Personal consumption, national investment expected to rise; investors sought for pulp and paper project, bauxite deposits

Malawi is currently recovering from a mild recession caused by poor agricultural production last year, according to the annual Economic Trends Report from the U.S. Embassy in Blantyre.

U.S. exporters face a number of disadvantages in Malawi including a preferential tariff schedule, the effects of devaluation and Malawi's traditional trading patterns with the United Kingdom and neighboring countries. Finally, transportation costs on U.S. products are high especially compared to products from Southern Rhodesia and South Africa.

Nonetheless, the United States can substantially improve its market share in Malawi, as it did last year. Both personal consumption and national investment are expected to rise dramatically over the next few years.

This should stimulate imports to meet rural and urban consumer demand as more Malawians are drawn into the money economy. As demand for higher quality consumer goods develops, so should opportunities for aggressive U.S. exporters. Possibilities include home appliances, photographic equipment, and high-quality textiles.

Despite the Government's stability and desire to attract foreign investors, investment opportunities for U.S. businessmen appear to be scarce at present. The Government is still looking for foreign investors to exploit the large Vipya pulp and paper project and the Mlanje bauxite deposits, but most of the smaller, quick payback investments in light industry have now been made.

Nonetheless, as Malawi's economy expands, there still should be a growing need for agriculture-processing industries. American firms with agricultural expertise may then find investment chances.

Although gross domestic product grew by about 2% in 1968, real and per capita income suffered the first decline since independence because Malawi's population grows at about 3% annually and inflation is estimated at 5-10% per year.

The drop of almost 50% in agricultural output was partially offset by the Government's vigorous infusion of development expenditures, which reached a record $16.8 million in 1968. South Africa agreed to loan Malawi about $9.6 million to build the Nacala Rail Link, and construction of this alternate route to the sea was begun immediately.

The Government also moved forward the work schedule on the IDA-financed Zomba-Lilongwe Road and on portions of the Lake Shore Road. These accelerated disbursements put wages in the pockets of rural workers, helping to revitalize the lagging rural economy, and also stimulate the urban-based building, construction and transportation industries. Demand for imported capital goods rose considerably, with U.S. suppliers of heavy machinery and equipment doubling their exports to Malawi.

Ten other industrial licensees should begin operation soon. The projects, which represent about $1.8 million in investment, include three construction firms, two motor vehicles assembly plants, a canvas goods firm, and a factory to produce stock feeds. Together with the Government's substantial development projects, these investments should ensure continued opportunities for U.S. exports of capital goods.

Government spokesmen frequently restate the belief that the private sector has an important role to play in Malawi's development. Malawi hopes that its liberal investment law and low wages will help attract some $2.4 million per year over the next seven years in private foreign investment. Despite these assurances, however, local businessmen are concerned by the Government's increasing intervention in the private sector.

During the past year, the Government became more directly involved in the private sector in a number of ways. In October, the Parliament passed a law granting the Government extensive control over the import, distribution and pricing of goods, and a law requiring the licensing of contractors and importers.

In December, the Government bought a 51% share in one of the country's largest firms and established it as the National Trading Company (NTC).

Monopolies feared

Many local businessmen fear that the NTC will be granted monopolies on certain goods, thereby forcing them out of business. As if to confirm these fears, the Government announced that henceforth only the NTC will be allowed to import used clothing, and important U.S. export to Malawi. Just recently, President Banda announced that the Government will be a partner in a new Commercial Bank of Malawi which he "hopes no one will stand in the way of."

Malawi's trade relations continue to be largely dictated by her geographic location and traditional trade routes. Relations with Zambia, which were predicated on Zambia's need to send copper out, and bring petroleum, oil and lubricants in through Malawi, have slackened off as Zambia finds alternate routes.

At the same time, the 1967 Trade Agreement with South Africa is beginning to make itself felt as Malawi last year almost doubled her exports to South Africa. That country also increased her share of Malawi's import market to almost 11%. As the Government looks increasingly to South Africa for aid, that country's products probably will take an even larger share of the local market.

U.S. exporters took advantage of Malawi's increased demand for imports too. U.S. shipments of heavy-duty construction and road equipment doubled, and exports of U.S. pharmaceuticals increased sixfold

Promising import areas

Malawi's continued emphasis on large developmental expenditures should ensure a good market for other imported goods. Last year, U.S. firms doubled their exports of capital goods and machinery and road construction equipment. Other promising areas are chemicals, fertilizers, agricultural machinery and pharmaceuticals. Untied International Development Assn. loan expenditures will be almost $11 million this year, and the AID $7 million loan will provide for substantial purchases of U.S. goods. Alert U.S. businessmen should be able to cash in on these opportunities.

over 1967. IDA-financed loans appear to have paid for most of these imports.

Agriculture will account for over 20% of development expenditures this year. about $2.1 million is ear-marked for continued work on the IDA Resettlement Scheme near Lilongwe, aimed at improving crop yields over a 500,000 acre area. Another $1.7 million is allocated to the Lower Shire Cotton Scheme, also financed by the IDA. Work will continue on several portions of the Lake Shore Road, designed to facilitate the transport of agricultural produce from fields to marketplaces along Lake Malawi.

In August AID and the Malawi Government are expected to sign a $7 million loan agreement to help build another portion of the Lake Shore Road. The agreement should call for substantial purchases of U.S.-made goods and equipment.

Other major projects include continuation of the Nacala Rail Link and the Zomba-Lilongwe Road. Also, ground will be broken on the $9.6 million New Capital site in Lilongwe. Work should begin soon on the $6.3 million IDA-financed school building projects, the $2.4 million new University of Malawi building in Zomba and on a Malawi Housing Corporation project to construct 1200 houses in Blantyre.

Finally, the Government is trying to find financing for a large hydroelectric scheme at Tedzani designed to meet the country's expanding electricity needs.

These projects, coupled with a good crop year, should help raise gross domestic product by 10% in 1969. More Africans will be drawn slowly into the money economy, and commercial banks, which are rapidly expanding their rural branches and services, can expect significant increases in deposits. Indications are that the higher interest rates now being paid on bank deposits, a result of the 1% increase in the bank rate, have stimulated some additional domestic savings.

The large development projects can be expected to encourage even heavier imports this year offering U.S. exporters good opportunities. While this may adversely affect Malawi's balance of payments, officials do not foresee unbearable pressure on the country's reserves.

Malawi lacks significant mineral wealth and so must look to agriculture for future long-term economic growth. Ninety percent of the population is engaged in agriculture, which directly accounts for about 37% of the gross domestic product.

Much of the country's new light industry is tied to agriculture, and agricultural products are Malawi's only important exports. The Government, aware of agriculture's key spot in the economy, is alloting it an increasing proportion of development expenditures (some $7.2 million in 1969).

Farm prospects good

Agricultural prospects for the coming year are good. Early rains in most regions have raised hopes of record harvests which should give new life to rural income and demand. It is estimated that Farmers' Marketing Board payouts will reach $12 million this year, which although below the 1965-67 level, is almost 40% above the 1968 level. Moreover, the Government plans to double development expenditures this year.

However, Malawi's predominantly agricultural economy remains vulnerable to the twin vagaries of weather and world commodity prices, as the experience of 1968 clearly showed. Moreover, the country is heavily dependent on two crops, tobacco and tea, which together account for more than 71% of Malawi's export earnings.

Record crops are expected this year for peanuts, cotton and rice, despite the uniformly poor showing by these crops last year. The recent inauguration of the Lower Shire Cotton Scheme is a hopeful sign for cotton, with trebled cotton yields already reported on project land. The National Oil Industry opened its 15,000 ton capacity rice mill last year, and the Government recently raised the rice price to stimulate production. Prospects are also good for sugar and corn, production of which should reach 28,000 tons, and 100,000 tons respectively.

One dark spot in agriculture is the recent closing of two of Malawi's three tung estates due to low world prices. While Malawi may still sell some tung oil to South Africa under the 1967 Trade Agreement, the amount will probably be insignificant.

Outside financing needed

The experience of last year and this year's record development budget point up the importance of public sector developmental expenditures in the Malawian economy. These expenditures have been used to supplement agricultural inputs in order to stimulate broader economic development.

Thus, although gross domestic product grew only slightly last year, investment (mostly public) as a percent of gross domestic product made impressive gains. Transportation, agriculture and education have assumed increasing importance in the development budgets over the past three years.

Malawi continues to depend heavily on outside financing for increased development expenses. Of the $35 million to be spent this year, almost $29 million will come from abroad. Servicing the large external debt has not yet become a serious drain on Malawi's exchange capacity, although it may in years to come. (The very slight improvement in Malawi's reserve position last year was entirely due to the receipt of the proceeds from the sale of the Zambesi Railroad bridge.)

The Treasury is trying to tap the local capital market more for development and debt servicing expenses. Last year, the Treasury took advantage of the 1% rise in interest rates to float four local loans. About $5.3 million will be raised this way in 1969.

Anti-inflationary policies

While expanding the development budget, it is the Government's policy to restrain current account expenditures to the minimum consistent with general development needs. This year's operating budget of $50 million is only slightly higher than last year's budget. Important recurrent expenses, as in the past, will be education and servicing the public debt.

Most of the revenue for the operating budget will be raised from customs duties, including the new 8⅓% customs surcharge. Budgetary support from the United Kingdom which is gradually being phased out, will be reduced to $6.7 million this year. Meanwhile, the Government continues to look for ways to broaden the country's tax base so that it can better harness domestic resources for operating expenses.

The Government also maintains a policy of restraining wage and salary increases to reduce cost inflationary pressures, and to keep Malawi's exports competitive. In addition, this policy makes Malawi more attractive to potential investors by keeping labor costs low.

Malawi's private sector enjoyed rapid growth during the first three years of independence, especially in light industry. Last year a number of new industries opened, including a Carlsberg brewery, a large rice mill, a 98 bedroom hotel in Blantyre, and a factory making cement ties for the Nacala Rail Link. During the year, some American investment interest in Malawi developed as a U.S. firm was granted a license to prospect a large area for radioactive materials.

Rwanda holds limited potential for U.S. business; machinery, fuel, tourism offer best chances

U.S. buys 80% of country's coffee exports; growth rate fell far short of target in '68; less than 10% of males salaried

The Rwandan economy is a small, isolated, subsistence economy, which does not always provide sufficient nourishment for the nation's nearly 3½ million inhabitants. Famine is not uncommon, according to the annual Economic Trends Report from the U.S. Embassy in Kigali.

The potential for American business in Rwanda is limited, but it does exist. Heavy machinery, transport equipment, and fuel present the best sales possibilities. Tourism and extraction present the best investment possibilities. Coffee and pyrethrum present the best purchasing possibilities. Rwanda has a good reputation for political stability and U.S. products suffer no appreciable discrimination.

Although the Rwandan market is small, American products have a good reputation. American trucks, tires and tubes were imported during 1966-68 when the United States was providing commodity support to the Government. These products have performed well. They must compete with West German and other European products, but there is a market potential for trucks and heavy equipment if the market is aggressively pursued.

American food products have also been introduced through the Food for Peace program, but transport costs tend to make them less competitive, except for certain specialty items bought by the foreign community. Some American brand products are sold, but many of these are manufactured in Europe or in East Africa.

U.S. takes major share

America has easy access to, and absorbs much of, Rwanda's exports. Nearly 80% of Rwanda's coffee goes to the United States as does nearly 50% of Rwanda's cassiterite and wolfram.

The language of commerce is French, but the knowledge of English in the commercial community is higher than in most West African French-speaking countries.

There is a U.S./Rwandan Investment Guarantee Agreement, and Rwanda would welcome and facilitate American investment. The best present possiblities appear to be in tourist facilities and mineral extraction, including the methane gas of Lake Kivu. In view of the substantial expansion of tourism to East Africa in recent years, the potential of Rwanda should be rated highly, if it had the necessary hotel rooms. Private capital is being formed, but within a very thin slice of the population. A handful of ex-Ministers and senior civil servants are beginning to acquire business interests, but their number would probably be less than 50.

Consistent trade surplus

Rwandan imports consistently exceed exports, but the amount is very small. In 1968 Rwanda's total imports amounted to only $19.4 million. This was a 26.7% increase and contained an increasing proportion of capital goods. Imports of consumer goods were unusually high in 1968, leaving a large inventory carry over for 1969.

Rwandan exports consist of a few thousand tons of coffee, a few hundred tons of tea, and a couple of thousand tons of unrefined ores, mainly cassiterite and wolfram. Total exports amounted to only $16.1 million in 1968, up 8.8%.

The Rwandan economy is slowly expanding. Foreign aid, both grants and loans, are slowly providing infrastructure and the beginning of some small industries, but the economy is far from self-sustaining. The currency is controlled, but prices have risen less than 2% since 1966.

Expected growth in GNP was not achieved in 1968. Rwanda's economic planners had hoped for a 12% increase in GNP in 1968. Coffee and tea production for export were to be increased. Mineral production was also to be pushed. These goals were not achieved. GNP rose by 4% but there were appreciable set-backs in food production and mineral exports.

Rwandan stores are overstocked. Many large merchants who planned their procurement on the basis of 1967's relatively favorable trends, found themselves overstocked at the end of 1968, and will consequently be importing appreciably less consumer goods.

Money supply and consumer demand in Rwanda are tied closely to coffee sales and taxes. In 1967 money supply remained relatively high because the government was lax in tax collections. This laxity stems from the fact that head taxes and cattle taxes are collected locally and 1967 was a year of local elections. Local authorities try to avoid tax collection when they are up for election. In 1968, when there were no elections, the government collected 1968 and 1967 taxes. This caused an appreciable decrease in money supply and consumer demand, leaving merchants with overstocked shelves.

Wages are very low. Manual laborers earn about 35 francs (35 cents) per day in the Kigali area and as little as 25 francs in more isolated areas. Cassiterite miners, both underground and open pit, receive about 45 francs a day. White collar and sales personnel average about 5,000 francs ($50) per month. Government civil servants receive substantially more, but their number is small. There are 1,642 classified civil servants.

Mineral production remains active, but exports slipped somewhat in 1968. Much of the shortfall is considered to have been stolen and exported.

Manpower continues in great surplus. Less than 10% of all able-bodied Rwandan males are salaried. This proportion is declining because job openings have not grown as rapidly as the population. Total salaries paid per year amount to about $61 million (there were 74,000 wage earners in 1964).

Illinois firm to buy U.S. goods for Colombia plant

The Export-Import Bank of the United States has signed a $9.5 million credit agreement for Colombia under the Alliance for Progress.

Proceeds of the credit will be used to finance the purchase in the United States of equipment and services needed in the construction of a petrochemical plant at Barrancabermeja in northern Colombia.

The prime U.S. contractor for the new undertaking, selected by the Colombian operator on the basis of competitive bidding, is Universal Oil Products Co. of Des Plaines, Ill., which will be responsible for the U.S. equipment purchases.

Paraguay investment view remains good despite growing trade deficit; inflation threat held still negligible

U.S. remains a major trading partner, with 25% of both imports and exports; 1969 tourist inflow expected to top last year's record

Paraguay, with its low level of inflation, still offers potential for U.S. investment and is genuinely interested in it, according to the semi-annual Economic Trends Report from the U.S. Embassy in Asuncion. The agriculture and tourism areas are particularly promising, but the Embassy urges caution in approaching the local investment market. The obvious efforts which the Government is making to solve its fiscal problems, and the belief that 1969 should see at least a modest upturn in exports and an increase in tourism are positive factors in the economic picture for 1969.

On the debit side, however, is the increasingly heavy debt burden and growing trade deficit facing Paraguay. 1969 will probably see the near termination of major construction projects now under way—second stage of the Acaray hydroelectric project, airport expansion, port extension, Encarnacion and Villarica roads, government housing, the Valle-mi cement plant. While other projects, such as an IDB-financed expansion of the Corposana water works and proposed work on the Trans-Chaco road and Paraguay River bridge might begin in 1969, after this year the loan level might drop off.

How Paraguay weathers the possible slowdown of loan inflows, while at the same time meeting ever-increasing debt-service burdens, will be the mark of how successful past loans have been in providing revenue-producing infrastructure.

U.S. goods popular

The United States remains one of Paraguay's major trade partners. It provided 25% of both imports and exports in 1968. U.S. products, especially machinery and motors, are very popular, although they encounter formidable competition from European and Japanese products which are usually offered under more favorable financing arrangements. If quicker and easier means to obtain U.S. financing were available, U.S. products would undoubtedly have an even greater share of the local market.

Agro-industrial enterprises and agricultural equipment have good potential. Low cost, rebuilt U.S. equipment for bottling, canning and packaging should find buyers. Tourist-related equipment is now a top contender for the local market.

At the moment, most U.S. direct investment in Paraguay (about $20 million) is located in a meat-packing plant, two banks (FNCB of New York and Bank of America), Refineria Paraguaya, S.A. (the oil refinery), and coffee producing groups in Pedro Juan Caballero to the north.

Final figures on the 1968 trade balance demonstrate a continued and serious deficit trend. Imports of $61.5 million outweighed exports of $47.6 million by almost $14 million, creating a trade deficit worse than that of 1967's $12.4 million. Most of the decrease can be traced to lower meat exports, which fell from $19 to less than $15 million.

Prospects for 1969 are still quite mixed, but on balance it appears that meat exports will pick up slightly, possibly by $1.5 million. The increase in lumber exports will be, hopefully, sustained. A forecast of $50-52 million for total 1969 exports with imports probably close to $65-66 million will reflect a serious trade deficit again in 1969.

Drawdowns on foreign debt authorizations increased $30 million in 1968. Unofficial sources indicate the actual debt increase was $36 million during 1968. The authorized total of external loans of $174 million at the end of 1968 has increased to about $200 million so far in 1969. External financing still furnishes one-third of Paraguay's investment capital.

Paraguay's international reserves have not taken the plunge envisioned by several international experts. Although net reserves took seasonal turns during 1968, year-end totals were nearly identical to those at the end of 1967. The strain on the reserves is becoming increasingly heavier, but several factors in Paraguay's favor should begin to operate in 1969; Acaray power, more tourism, more domestic wheat, and a new PL-480 wheat agreement should serve to sustain Paraguay's reserve position for another year. However, 1970 might well prove a different story.

Limited market

The domestic consumer market is restricted by the small size and very limited purchasing power of the 2.3 million population. Despite cuts in government expenditures and increased efforts to obtain more revenues, the ability of the Government of Paraguay to balance its budget remains doubtful. The need for external financial assistance, necessary to development, is nevertheless placing a heavy debt-service burden, which threatens to become unmanageable, on the country's slim foreign exchange resources.

The meat packing industry remains the most serious question mark in the agricultural sector in Paraguay. Not only does it comprise the largest total foreign investment in industry, but it is by far the most important export area. Meat exports fell 20% in 1968, $4 million below those of 1967's $19 million. Prospects for 1969 are still uncertain, but the general consensus is for a year much like 1968, or perhaps a little better.

A disheartening related effect of the drop in cattle prices is the threat it poses to the fledgling hog and poultry industries, which have shown promise. As cattle prices decrease, domestic consumption of beef increases, at the expense of domestic poultry and hog consumption.

Citrus and fruit industry possibilities remain largely untapped. Although one Italian consortium is constructing a fruit

Highest potential interest

The industries of interest to potential U.S. investors in Paraguay include: agricultural production; agricultural services and hunting and trapping; food and kindred products; lumber and wood products, except furniture; furniture and fixtures; paper and allied products; stone, clay, glass, and concrete products; machinery, except electrical; electrical machinery, equipment, and supplies; transportation equipment; water transportation, and hotels, rooming houses, camp, and other lodging places.

processing plant in Paraguay, little attention has yet been paid to investment possibilities in frozen and concentrated food, citrus and other fruit lines.

The lumber industry has a brighter outlook since the government initiated restrictions, by 20% annually, on the export of raw wood products. The decree is now in its second year, and the benefits to the lumber industry are already beginning to manifest themselves. While the value of rough wood exports continued its drop (as expected), sawn lumber and beams reached record sales in 1968.

A rejuvenated Argentine construction industry is considered the main reason for the high sales, which probably will continue. Hopefully, Paraguayan veneers and finished wood products will begin to find U.S. markets, and as they do so the lumber and sawmill industry will merit renewed attention from entrepreneurs from the United States.

Already some U.S. groups have investigated possibilities in the lumber industry.

Paraguay has not yet found minerals in commercial quantities. Interest continues, however, in oil exploration in the Chaco area, and there is a possibility that new studies will be undertaken. There is still no monopoly on oil exploration, though Refineria Paraguaya (REPSA), the refinery, is attempting to obtain one.

In the industrial field, ICIER S.A., a wire making plant, commenced operation in January and plans to manufacture all the wire products needed in Paraguay. America Textil, S.A., a $1.2 million textile plant, began operations in Asuncion on Mar. 19. Plans are already being made for a $1.5 million expansion, according to local sources. The new Krupp-built cement plant at Valle-mi is scheduled to begin operations in late 1969, with its 100,000-ton annual capacity considered sufficient to meet Paraguay's entire cement requirements.

Although U.S. and other foreign groups continually investigate investment possibilities, to date no tangible results have materialized. The American Embassy still considers the hotel construction, glass container and paper (especially paper bag) industries to have good potential for U.S. investors.

Should top record

The record tourist influx of 70,000 persons in 1968 spent $9.7 million in Paraguay. Tourism authorities are already forecasting that 100,000 tourists will spend $13 million in 1969, and propaganda is already appearing in newspapers to hasten preparations for the anticipated business.

The 'industry without chimneys' is off to a good start in 1969. Over 7,000 persons came into Paraguay in January, compared to less than 3,000 in the same month of the record-breaking 1968. Although tourism is one of the more pleasant and welcome aspects in recent Paraguayan economic history, headaches are now beginning. A lack of sufficient hotel facilities heads the list. Mony hotels are still in the planning stage, and construction has bogged down to the point where they will not be available for the big tourist months beginning in May or June. Despite delays in obtaining the required permission to allow foreign investment in hotel and related facilities, the need for such outside investment and the facilities provides one of the most promising areas for potential U.S. investors, manufacturers of hotel equipment, and tourist services.

There is now an all-weather road (beginning just across the Paraguay River in Argentina) from Asuncion to Buenos Aires. This road has been largely responsible for the dramatic influx of Argentine tourists who come mostly by chartered buses, and for an increase in truck transportation of goods to and from Paraguay.

With the recent completion of the road paving from Puerto Presidente Stroessner, Paraguay will finally have an all-weather road to the Brazilian oceanport of Paranagua. Paraguay has received free-port privileges at Paranagua, and this highway route will be thoroughly tested as an alternative to the capricious and longer Paraguay River route to Buenos Aires.

Paraguay has also negotiated with Chile a treaty for a free-port at Antofagasta.

POWER FOR ASUNCION AREA comes from the recently-activated Acaray hydroelectric project, where first stage went onstream last December. Above, construction work on second stage at Acaray, due for completion next year.

Work on the new AID-financed, Morrison-Knudsen-built, 11,000 foot runway at the Presidente Stroessner Airport near Asuncion continues and the facility, capable of handling the largest jets, should eventually become the center of air-freighted Paraguayan products to Chile and other South American countries.

A DeLeuw-Cather feasibility study for partial pavement of the Trans-Chaco Road (scheduled to become part of the Pan-American Highway System) is almost completed. Louis Berger, Inc. has initiated a feasibility study for a network of roads in Eastern Paraguay, with its recommendation expected in early 1970.

Paraguay uses an Argentine dredge to keep the Paraguay River open to traffic. An alternative now being studied with the assistance of the AID-sponsored De-

Wheat expansion

Presently, Paraguay imports most of its wheat commercially from Argentina and the United States, through PL-480 agreements. If and when the wheat program is successful in reducing Paraguay's wheat imports to the minimum feasible, it will also provide a decided assist to Paraguay's trade balance.

Investment opportunities are still available in the wheat expansion program to fill the need for machinery, equipment, and storage facilities for the 1969 season's plantings which got under way in March. The Paraguayan development bank, Banco Nacional de Fomento, controls funds used for the wheat program.

velopment and Productivity Center, is the use of shallow-draft barges, and a major U.S. barge company is actively interested. Work on a World Bank financed, Brazilian-built Asuncion port extension, though now bogged down, is expected to get under way again soon, with the work to be completed in late 1969.

The $33 million Acaray Hydroelectric Power Project's first 45,000 kw. IDB-financed, Italian built, unit went on stream in December, only to break down almost immediately. After a series of repairs, the project again began operations in February. It now provides power for the Asuncion area and replaces an old oil-burning plant, thus saving the country $3 million annually in fuel oil imports. If the second 45,000 kw. unit is completed in time to begin operations in early 1970, the anticipated sales of power to Argentina and Brazil should bring in several million dollars more of sorely-needed foreign exchange.

Chances for U.S.

Additional construction, to utilize the project's potential capacity of 240,000 kw., dependent on a future need in Paraguay and sales to its neighbors, offers excellent opportunities for consideration by U.S. companies.

The rate of increase in the money supply is quickening, with a 6.5% jump in 1968, and the same or higher rate anticipated for 1969. The need for more Central Bank financing for the wheat program is reflected in the greater rate of private credit increase (16.9%), compared to the rate of increase in public credit (7.3%).

Inflation has been negligible for several years, and the tight money supply helps to keep it in check. Prospects are that the Government's conservative money policies will continue to keep inflation at a minimum.

Time deposits continue to rise rapidly, but the rate of increase will eventually slow down as the total level rises. The Central Bank's legal reserve requirement of 42%, and its discounting requirements, appear unlikely to change. The legal interest rate remains at 12%. 1969 should see the Central Bank establish norms to regulate a recently-passed law authorizing private commercial banks to extend housing loans.

During 1969 a proposed private financing corporation known as Compania Paraguaya de Desarrollo, S.A. (COMPDESA) may be established to provide working capital and loans to medium-sized industry. AID funds, to finance imports of U.S. goods, will help support the corporation.

Greek economy may have difficulty in sustaining strong growth rate as drive for new investment falters

U.S. maintains 9% share of growing import market, led by gains in sales of machinery, transport equipment, other manufactures

The Greek economy grew about 4.5% in 1968, and may well do better in 1969, according to the semi-annual Economic Trends Report from the U.S. Embassy in Athens.

Last year's increase was achieved despite a 6% decline in agricultural output and a 5.5% drop in foreign tourism. With a reasonably good harvest, an improvement in tourist earnings and continued government stimulation, a growth rate of 6-7% does not seem beyond reach this year.

The pattern of investment does, however, suggest difficulties in sustaining a high growth rate beyond 1969. Although fixed investment increased substantially (16%) in 1968, more than half of this amount was in residential building, while investment in industry at $180 million has shown no increase since 1965.

Much of last year's 6.5% increase in industrial production stemmed from large, recently completed investment projects. As there are no new industrial projects of any size now ready for construction, industrial growth may slacken in 1970 and beyond.

In 1968, the large deficit on current account was covered with the help of an unusual increase in supplier credits, short term official loans and foreign bank financing. Adding $18 million transferred from the Gold Sovereign Fund, official reserves actually showed an increase of $36 million over the previous year.

Unless the present pattern is altered, steadily rising imports this year will result in a record deficit trade balance and a 15-18% increase in the current account deficit, despite predicted improvements in shipping receipts, immigrant remittances and tourism. As inflows of private and public investment capital will probably be little higher than last year, large amounts of short-term foreign financing may again be needed.

At the end of 1968, official Central Bank assets and convertible currencies stood at $322 million, equal to a little more than three months of imports. Total foreign indebtedness now stands at about $1,660 million, of which $379 million is in private suppliers' credits. These latter, which jumped by almost $70 million in 1968, will put a rapidly increasing repayment burden on the balance of payments.

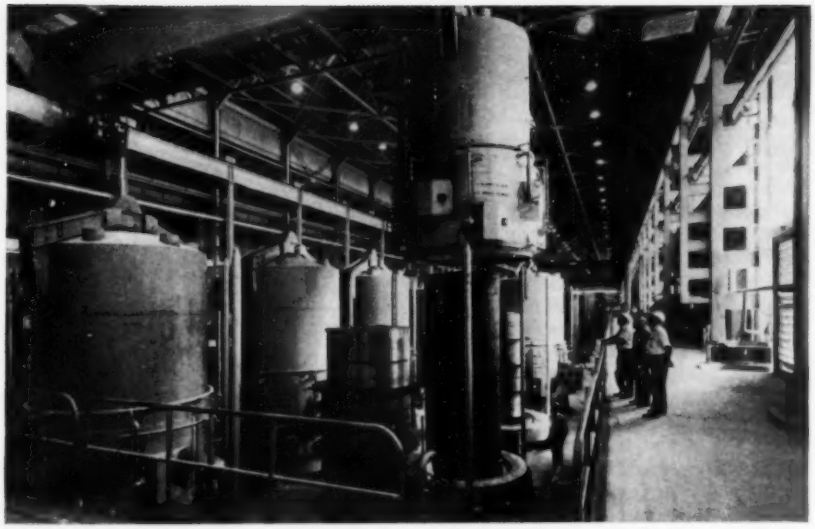
Intent on achieving a growth rate of 8% or more in 1969, the Government can be expected to pursue the expansionary policies adopted last year. Budget forecasts call for a 12.6% increase in expenditures, with an overall deficit 16% higher than last year. An additional impetus may be given by speeding up the progress of public works.

During 1968, Government and Central Bank officials were exceptionally successful in negotiating enough foreign financing to cover the impending payments gap and reinforce official reserves. Some $90 million in new government-to-government or foreign bank financing was arranged. As the underlying payments imbalance has not been cured, the Government must be even more nimble in 1969.

In its attempt to resolve the basic payments difficulty, the Government has reached a preliminary agreement with Aristotle Onassis for a $400 million investment package, to include among other

In delicate balance

While the average price rise during 1968 was little more than 1%, the Greek economy is in rather delicate balance. Liquidity remains high and the small capital market is quite active. With emigration of workers to Europe again at high levels, unemployment is down and in some agricultural areas labor shortages are appearing. Industrial wages rose an estimated 10% during 1968. Quickening consumer demand can be expected to reduce the margin of unused domestic capacity and push up the import bill.



IMPORTS OF U.S. MACHINERY AND TRANSPORT EQUIPMENT to Greece increased by 47% in 1968, and U.S. sales of capital equipment are expected to remain high. Above, interior of Hellenic Steel plant.

things, a refinery, an aluminum smelter and ship building facilities. These proposals do not appear advanced enough to bring a flow of capital this year or next.

American firms may benefit from the stepped-up pace of public investment. Prominent among current public projects is the nuclear power plant to be built by the Public Power Corp. at a cost of over $70 million.

The Greek Government is planning to expand and modernize the Athens Airport and construct an aircraft maintenance and repair facility. Proposals for feasibility studies for these two civil air projects have already been received.

International Telephone and Telegraph has signed a $2.7 million contract for construction of Greece's COMSAT Earth Station. The Greek Government has also issued international tenders for over $10 million in road construction equipment, to be purchased on credit terms. Another $10 million in capital equipment may possibly be purchased from the United States under the Greek Government-McDonald Highway Project, for which a contract was recently signed.

According to Greek officials, private foreign investment projects approved in 1968 amounted to $229 million, as compared to $97 million in 1967. American firms represented about $90 million, or 39% of the total, with the largest of these projects being the $46 million fertilizer plant proposed by American Structural Dynamics and $25 million in canneries and bottling plants to be undertaken by Tom Pappas. However, the actual inflow of foreign capital against approved projects was low in 1968 and little improvement is seen for 1969.

The United States has maintained its 9% share of the expanding Greek import market, with U.S. deliveries totaling $106 million in 1968, compared to $98.5 million in the previous year. This balance was maintained despite a decline in deliveries of foodstuffs and vegetable oils, following the large Greek harvest in 1967.

Deliveries of U.S. machinery and transport equipment actually rose by 47%, and comprised 46% of total U.S. exports to Greece last year. Other manufactured goods also enjoyed a notable increase.

With several large public construction projects starting this year, U.S. exports of capital equipment should stay at a high level. Sizable shipments of agricultural commodities, which were resumed in late 1968 and early 1969 after the poor 1968 harvest, should significantly increase the U.S. share of the Greek import market.

While only about 10% of Greek exports are sent to the United States, Greece received 39% of its emigrant remittances and 56% of its tourist receipts from the United States during 1968. Total invisible earnings from the United States rose from $253 million in 1967 to $297 million last year. More than two-thirds of the increase in Greece's world-wide invisibles earnings came from the United States.

Greek exports to the United States declined during 1968 (from $65 million in 1967 to $47.5 million in 1968) as it was impossible to match the exceptionally high tobacco deliveries of 1967. Exports of all other commodities to the United States were somewhat higher.

Overseas investment up sharply for '69

Preliminary projections by U.S. companies indicate that foreign direct investment will increase from $1.5 billion in 1968 to over $3 billion this year, the Office of Foreign Direct Investments, U.S. Department of Commerce, has announced.

Foreign direct investment, as defined by OFDI, includes investment capital originating in the United States plus reinvestment of foreign earnings. Canada is excluded since it is exempt from the program.

OFDI said that companies used about $2.2 billion in foreign-borrowed funds for investment in 1968 and that this figure is expected to be about the same, or slightly higher, this year.

Because of the extensive use of foreign-borrowed funds, companies generally were able to carry out their investment plans in 1968 despite the reduction in foreign direct investment from $3.7 billion in 1967 to $1.5 billion in 1968.

Foreign investment, including the use of foreign borrowings, increased dramatically in 1968 in Schedule A, the less developed countries, but declined in Europe and other areas. Sizable increases in all three areas are anticipated in 1969.

Statistics on investment on a worldwide basis and for each of the three geographic schedules are given in the attached statement and table. The 1969 figures are based on an OFDI survey of major companies who accounted for almost 90% of investment in recent years. Data for previous years were compiled from reports of the 3,300 investors who report to OFDI.

Export credit unit backed $6 million in Jan.-Mar. sales

During the first quarter of Calendar 1969 eight transactions were authorized under the Export-Import Bank's export expansion credit facility, covering U.S. exports sold on deferred payment terms to three markets abroad. Eximbank's liability under these transactions amounts to $6.3 million.

The markets where the facility was used were Argentina, the Dominican Republic, and Nigeria. U.S. exports assisted by the program included tractors, construction equipment, commercial aircraft, radio equipment, and paper pulp.

Cyprus sees steady gains

U.S. goods are strong in many areas, despite bias in favor of U.K. products

Steady and substantial growth continues to characterize the Cypriot economy, according to the annual Economic Trends Report from the U.S. Embassy in Nicosia. Although 1967's prodigious rate of 10% was not matched in 1968 (4½%) because of drought conditions affecting agricultural production, the trend is definitely in the direction of another large increment in the national income.

Paradoxically this impressive performance was rendered amidst a political situation which, while vastly improved over last year, is still unsettled and despite the fact that the Turkish Cypriots (18% of the population) do not yet participate in the mainstream of the island's economic life.

In 1968 Cyprus not only managed to cover its trade deficit but registered a balance of payments surplus of about $11.5 million—a drop of about $7 million compared to 1967 but nevertheless a creditable performance for a developing country.

Cyprus imports twice as much as it exports, and while one may find encouragement in the recent improvement of the ratio of imports to exports, the absolute size of the trade deficit ($83 million in 1968) continues to grow while invisible foreign exchange earnings and new capital inflows remain relatively stable.

Offers industrial estates

Import substitution and encouraging investment in manufacturing are part of the national policy for keeping the trade deficit within manageable limits. To this end the Government has provided an industrial estate in Nicosia and is establishing one in Larnaca. These areas offer tariff protection, a favorable climate for foreign capital, and an adequate infrastructure.

In the past few years the manufacturing sector has been growing by about 8% per year but still only accounts for about 11% of Gross Domestic Product. Cypriots have generally been reluctant to invest in manufacturing for a variety of reasons: the political situation has been unstable; the domestic market is too small to sustain a large manufacturing industry that does not export; many raw materials are not available locally; and more secure and rewarding outlets for investment capital are available. Specifically, a speculative real estate boom has siphoned capital away from productive investments. In 1967, for example, 37% of gross fixed capital formation was devoted to residential dwellings.

Although Cyprus has bilateral trade agreements with five Eastern European countries and the Soviet Union, it is committed to a multilateral trade policy. The convertibility of the Cyprus pound with the British pound facilitates the payment of international obligations and presents no problems for foreign exporters.

Generally, import licenses are required only on those few items that are produced locally and those goods which the government would like to control because of their influence on the Five-Year Plan.

Cyprus is a member of the British Commonwealth and as such has the Commonwealth system of tariff preferences. Furthermore, the Government of Cyprus has shown a willingness lately to impose protective tariffs to encourage a variety of local infant industries.

The official policy of encouraging private foreign investment takes the form of granting foreign investors the same incentives to which Cypriot citizens are entitled. These incentives may range from minor tax exemptions and depreciation allowance to tariff protection and complete income tax exemption. As a matter of policy the Government has declared that it opposes the nationalization of private industry and that it favors non-intervention in the private sector.

Cyprus is a member of the Sterling Area and there are at present no foreign exchange control restrictions either on capital investments in Cyprus or on transfers of capital by residents of the Sterling Area. However, transfers by Americans and residents of non-Sterling Area countries require prior exchange control approval. Cyprus has followed a liberal policy on exchange control and such approval is normally granted.

Britain is the United States' most important competitor in Cyprus—about 33% of all Cyprus' imports in 1968 came from the United Kingdom. The 1967 devaluation of the British and the Cypriot pound reduced incentives to import from countries such as the United States which have not devalued. Over the years, British products have acquired a well-established and reliable position in the Cypriot market. For reasons of familiarity and history, there is a residual consumer bias in favor of British products which are considered quality goods.

The standard method of payment required by American exporters to Cyprus is a letter of credit. As competition increases, however, this is generally being replaced by sight draft arrangements. For non-American exporters, in fact, sight draft payments tend to be the norm.

According to the latest legislation, Cyprus is eligible for Import-Export Bank financing.

Currently there is no double taxation agreement between the United States and Cyprus. Discussions regarding double taxation are, however, in progress and it is hoped that an agreement can be signed in the near future that will be effective retroactively from Jan. 1.

In many fields, of course, U.S. productivity, technological advancement, and superior quality can and do secure a favorable position for U.S. goods and services in the Cyprus market. Because of technical superiority, quality, and competitive prices heavy American machinery, especially mining, construction and food processing equipment, and electrical appliances enjoy a favorable position.

The United States' commanding lead in the data processing field should orient Cyprus' computer use toward U.S. suppliers. Cigarettes are manufactured locally in Cyprus and there is a well-established and increasing demand for Virginia yellow leaf tobacco.

Excluding exceptionally good crop

Surcharge continued

American exporters must consider the freight surcharge ($10 per 40 cu. ft.) imposed by the Northern Conference Lines on all freight off-loaded in Cyprus. The original justification for the surcharge was that freight destined for Cyprus had to be off-loaded by lighters thus increasing risks. Although this is no longer true at the new port of Famagusta, where freight can be off-loaded directly onto the pier, the surcharge is still in effect.

Offset trade deficit

Earnings from the British Sovereign Bases and the UN Force in Cyprus, the subsidy paid by the Government of Turkey to the Turkish Cypriots, and remittances from Cypriots living abroad are the primary current account items that help finance the trade deficit. However, some of these sources of foreign exchange are less dependable than others and give cause for caution about the future. For example, if progress continues toward a political solution the UN force may be cut again—as it was by 25% in 1968—and Turkey might at some point consider phasing out its subsidy. Earnings from the British Bases and remittances from Cypriots abroad appear more stable and should constitute a continuing prop.

years, and 1969 will probably be one of them, Cyprus must import considerable quantities of feed (corn and sorghum) and food (wheat) grains. Even during bumper crop years there is a reliable demand for hard winter wheat #2 which is used to enrich local wheat in breadmaking.

American managerial and technical expertise is competitive in any market. Although opportunities for consulting engineers and managers are limited, American credentials in these fields are highly respected.

In 1967 the agricultural sector grew by 22% and accounted for about the same percentage of the Gross Domestic Product. Full statistics are not yet available for 1968 but it is certain that the severe drought conditions depressed the agricultural growth rate.

Despite the drought, however, a healthy development in 1968 was the fact that agricultural exports played a proportionately larger role in Cyprus' export pattern, contributing over 57% of the total value of goods exported.

Assuming that mineral exports will not increase and that today's abundant invisible foreign exchange earnings are not a permanent feature of the Cypriot economy, and that Cypriots will continue to demand greater quantities of imported goods, the monkey is now on agriculture's back. Appropriately, therefore, in recent years the agricultural sector has proven itself to be the engine behind sustained growth and the most vital sector of the economy.

If the near future is relatively secure, however, the long range outlook is less encouraging and studded with obstacles that will eventually militate against progress on the farms. One serious limiting factor on agricultural growth is Cyprus' water supply—or rather its periodic lack of it. A semi-arid country, Cyprus depends to a large extent on underground acquifers to supply its domestic and industrial/agricultural needs. In many areas overpumping is outpacing natural and artificial recharge and has led to the incursion of sea water into formerly fertile citrus plantation areas. A high priority national water policy has yet to be developed to solve this problem.

The fragmentation of land holdings is also limiting agricultural expansion. The Ministry of Agriculture recently succeeded in acquiring the legislative power to begin a systematic land consolidation program but progress in this area will be slow.

Although mineral exports will probably remain at about their current level for the near future, mining will assume a progressively more subsidiary role in the economy as the other sectors continue their rapid growth. For example, in 1966 mineral exports led by copper, accounted for 45% of Cyprus' export earnings; the figure for 1968 was only 29%.

Tourism offers more hope for the future. Cyprus' tourist potential is virtually unexploited and tourism does not play a significant role in the economy. Net travel contributed only about $2.5 million to the balance of payments in 1967, but recent statistics seem to point to a new trend. For example, 1968 was a record year for tourism, with the total number of visitors for more than one day exceeding 88,000. Government officials are now predicting that this figure will grow to 115,000 or even 130,000 in 1969.

These predictions seem reasonable if there is no repetition of intercommunal violence and if the British sterling restrictions continue to channel tourists to Commonwealth countries. Both conditions seem likely to prevail throughout 1969. For its part the Government is encouraging investment in tourist facilities, stimulating European interest in Cyprus as a vacation spot and providing a more adequate network of civil air connections.

In 1968 Cypriot labor broke the government's informal wage freeze and demanded large wage hikes to compensate for previous years of restraint. Wage boosts ranging from 18 to 35% created demand-pull inflationary pressure which partially expressed itself in terms of price inflation (about 4% in 1968) and partially in terms of greater imports.

Moving gingerly toward a wage-price policy, the government has reacted by counselling the labor unions to seek more moderate increases and has set up an Advisory Board to determine which increases can be justified by greater productivity. There has also been much discussion by both government officials and employers of giving legal status to freely negotiate collective bargaining agreements and of legislating a kind of Taft-Hartley Act to protect essential services and industries.

The extent to which the total impact of the government's fiscal operations will be deflationary is as yet uncertain. Unfortunately, lacking a full set of fiscal and monetary control devices, the government will be forced to rely on the flexibility of development expenditures as its primary control mechanism.

In any case, the outlook for 1969 is for unabated or even greater inflationary pressure, another widening of the trade gap, and some domestic price inflation.

Philippines makes substantial cuts in duties on imports of animal feed ingredients

Substantially reduced Philippine tariffs on soybean meal, meat meal, bone meal, feather meal and fish meal imported for use in the production of animal feeds went into effect on Feb. 20, pursuant to Executive Order No. 165.

Specifically, the applicable rates of ad valorem duty on soybean meal were reduced from 26% to 10% and on the other meals from 10% to 5%. The Executive Order also provided for deductions from 10% to 5% in the duties for certain feed additives—phosphites, vitamins and antibiotics.

In the Philippines, the President has standing authority to reduce tariffs when the Congress is not in session.

Except for fish meal, the United States is the principal supplier of the commodities which benefited from the tariff cuts, and the demand for these products has risen sharply along with the rapid expansion of the Philippine feed industry.

The soybean meal import requirement was further boosted by the shutdown two years ago of the country's two soybean crushing plants due to high duty charges on soybeans. In 1968, U.S. soybean meal exports to the Philippines were valued at $3.6 million and U.S. sales of the meat, bone and feather meals totaled nearly $200,000. The duty reductions, along with an expected continued expansion of the feed industry, enhance the prospects for further growth in U.S. exports of these products to the Philippines.

India tightens import restrictions, liberalizes rules for exporters

New policy adds 316 items to list of prohibited imports; export houses now permitted to be founded as joint ventures

New export incentives authorize export houses to build stocks of imports to provide manufacturers with off-the-shelf supplies.

In its new foreign trade policy announced for the fiscal year ending Mar. 31, 1970, India introduced a number of measures designed to promote import savings and yet provide for all necessary import needs.

Import savings are to be achieved by increasing the number of items not eligible for import due to domestic availability; by adding items to the list of commodities which can be imported only under restricted conditions; and by canalizing additional imports through the Government's State Trading Corporation (STC).

Preferred get rights

Successful exporting firms, on the other hand, will continue to receive such incentives as the right to import from preferred sources and the authority to increase productive capacity. Other important provisions of the policy include measures liberalizing restrictions on joint export ventures; and, measures designed to increase the effectiveness of both export houses and manufacturer-exporters.

The new trade measures continue the policy of import substitution by adding 316 new items to the list of prohibited imports. New items on the banned list include: boot and shoe grindery (16 items); certain ball and roller bearings; a number of parts for motor vehicles; certain garage tools; specified textile machinery and parts; components for domestic refrigerators (12 items); certain electrolyte capacitors; 37 chemicals; certain insecticides, fungicides, and weedicides; 4 laboratory reagent chemicals; certain types of tires for motor vehicles; several drugs; a number of compressor parts; certain 35mm and 70mm projector components; 10 types of machine tools; certain parts for air conditioning, ice making, and refrigeration equipment; several transparent cellulose type wrapping products; and 14 types of steel products.

The Government also announced that imports of 129 additional items would be restricted to situations where one of the following conditions exist: indigenous production needs to be supplemented; indigenous products are unavailable; or, indigenous products do not suit the particular end use contemplated for the imported product.

New items on the list include: certain iron and steel valves and cocks; a number of seamless tubes; copper scrap, ingoted or otherwise; aluminum wire rods having a purity of 99.5% or more; gauge blocks; gas compressors and parts; spare parts of air compressors, power driven pumps and pumping sets; 14 items of dye intermediates; 11 items of textile machinery; 5 types of drugs and medicines; 15 items of parts for motor vehicles; 40 chemicals; 7 raw materials for paints; plastic cloth in running length; PH meters and fish finders; nickel catalyst; plastic materials; certain activated bleached earth; refined castor oil; refined linseed oil and solvents extracted from groundnut oil; and several sizes and types of bearings (See INTERNATIONAL COMMERCE of Apr. 29, 1968 for earlier list).

The new policy also requires that the following new items be traded through the STC: copra, mutton tallow, soybean oil, palm oil, cork, wood, and sodium nitrite. In addition, imports of natural rubber, sulpha products, vitamins and antibiotics will normally be arranged through the auspices of the STC, although the plan does not actually require that these products be so traded.

Cuts in quotas

Registered importers of the following commodities will also be affected by reductions in quotas: certain spare parts for motor vehicles; diesel engines; motors; generators; refrigeration and air conditioning equipment; agricultural tractors; and jute, hemp and tea machinery. Quotas were also cut on studio electric and projector bulbs; drugs and medicines; nickel formate; slide rules; medical and surgical instruments and equipment; scientific instruments; equipment and appliances; and certain dental instruments, equipment, appliances and parts.

The new policy continues to provide for import licensing of raw materials and components of priority industries as and when needed, while provision is made for separate licensing of annual spare parts requirements of such industries. In order to husband limited foreign exchange more effectively, the import policy continues to discourage speculative inventory accumulation of materials and components by relating issuance of replenishment licenses to inventories and to consumption of imported inputs over a given time period.

The import of certain AID-financed spares is continued under special general license, and the import under open general license of certain essential raw materials required by selected export industries has been extended.

Carrot and stick

The following carrot-and-stick measures, designed to further export performance of Indian industry, are continued in the new policy: **(1)** both priority and non-priority industries which exported more than 10% of production during 1968-69 will be allowed to choose their sources of imported requirements, as well as to expand plant capacity; and **(2)** ten specified industries, which are considered well enough established to sell more of their goods abroad, will be liable to cuts in their import entitlements and may lose the privilege of selecting their foreign sources of supply if they failed to export 5% of production.

The ten industries are bicycles; bicycle parts; stationary type diesel engines; certain small tools; coated and bonded abrasives; storage and dry batteries; wire ropes; certain automobile ancillaries; drugs and pharmaceuticals; and paints, varnishes, and enamels.

In addition to the expansion of the banned list to include 316 new items, the policy requires applicants for imports of capital goods valued at over $100,000 to alert Indian manufacturers to their needs through advertisement in the official *Indian Trade Journal*. Responses to such advertisements will assist the authorities in determining whether import license applications should be denied on grounds of local availability. The same procedure applies for import licensing of steel castings and forgings valued at $6,650 or more.

A new measure included in the foreign trade policy will allow established export

houses to build up and maintain a small stock of essential imports. The amount of initial stock authorization for each export house will be based on its 1968-69 exports in the following categories: engineering goods; chemicals and related products; plastics and linoleum products; leather manufactures; canned and frozen fish; processed goods; sports goods; and handicrafts. These stocks will then be used to provide off-the-shelf import availability to manufacturer-exporters.

Another new provision of the plan allows export houses, organized exclusively to deal with exports, to be founded as joint ventures.

Iran revises import policy, hikes taxes, imposes new charge

Heavy industries protected but customs duties unchanged

Iran has made several changes in its import policy for the Iranian year Mar. 21, 1969-Mar. 20, 1970 to increase government revenues and protect infant heavy industries. High taxes on less essential imports are expected to conserve foreign exchange for imports of heavy machinery needed to implement Fourth Plan projects.

The new policy leaves customs duties unchanged but imposes numerous increases in the Commercial Benefits Tax (CBT), an administrative tax imposed on a wide variety of imported or domestic products. The tax has been raised to 5% ad valorem on machine components, antibiotics and certain chemicals; 10% ad valorem on some specialized medicines; and 25% ad valorem on wool for textile mills. Some increases in specific rates of CBT resulted in a tax of 60 rials (1 rial equals U.S. $.0132) per kilo on powdered milk; 4½ rials per kilo on steel piping; 7½ rials per kilo on steel structured parts; and 1,000 rials per ton on wood.

All iron products except cast pipes have experienced an increase of one or two rials per kilo, while the tax on carton and wrapping paper has increased one to three rials per kilo. Higher CBT have also been levied on raw materials (many now taxed for the first time), film and film products, enamels, paints and essences for cosmetics.

Of particular interest to U.S. exporters are changes in policy for passenger cars. CBT on automobiles, previously levied on a graduated scale according to weight, will now be levied on an ad valorem basis according to value. At the same time, the new schedule of graduated ad valorem rates substantially increases the incidence of the CBT on passenger cars, producing combined customs and CBT levies in excess of 300% of c.i.f. value for larger models.

The following figures show the total incidence, as percentages of c.i.f. value, of customs duties and CBT on cars of specified value: $2,667, 200%; $3,333, 220%; $4,000, 250%; $4,667, 286%; $5,333, 312.5%; and $6,000, 333.3%.

In addition to increasing the cost of imported passenger cars, the new regulations limit any dealer's imports to 50% of the number of cars imported during the previous Iranian year, March 21, 1968-March 20, 1969.

Ivory Coast creates firm for global communications

The Government of the Ivory Coast has published a decree and pertinent statutes creating a new firm to handle all of the Ivory Coast's international telecommunications. The new company is known as Telecommunications Internationales de la Cote d'Ivoire and is jointly owned by the Government of the Ivory Coast and the French firm Compagnie Francaise de Cables Sous-marins et de Radio (France Cable).

The new firm will assume France Cable's monopoly over international telecommunications for the Ivory Coast. It will have responsibility for establishing, operating and maintaining all Ivorian international telecommunications systems, including undersea cable, radio, and satellite systems.

The firm is capitalized at slightly more than $2 million. France Cable will contribute nearly $1 million in buildings and equipment for its share. The Government will contribute the balance of the capital in equipment and cash.

The Board of Directors will consist of seven members. Four of these, including the chairman, will represent the Government. France Cable will have three.

The headquarters of the new company is located at Avenue Verdier, Abidjan, Ivory Coast.

World Bank assists power development in Singapore, Bolivia

Singapore will expand distribution net, Bolivia to relend proceeds

The World Bank and its affiliate, the International Development Association, have approved loans totaling $27.9 million for the expansion of electric power facilities in Singapore and Bolivia.

In Singapore generating and distribution facilities are being continually expanded to keep pace with the rapid growth of demand, mainly from large industrial and commercial establishments. Bolivia is organizing a modern power sector to provide an adequate supply of electricity throughout the country.

Singapore's Public Utilities Board is responsible for power, water and gas utilities. Its power sales are expected to grow at an annual average rate of 16% over the next three to four years. To meet this demand PUB plans to invest the equivalent of $115 million in electric power generation and distribution during the 1969-73 period. The $20.5 million Bank loan will help finance work on expanding the distribution system which will cost a total of $43.5 million. This includes the installation of primary and secondary distribution transformers, about 250 miles of high-voltage cable, together with switchgear and ancillary equipment for primary and secondary substations.

Bolivian projects

The Government will relend the proceeds of the $7.5 million IDA credit to two agencies which have been established since 1964, when IDA lent $15 million for projects which ended the country's power shortage: $7.34 million to Empresa Nacional de Electricidad S.A. for the construction of the 34-megawatt Santa Isabel hydroelectric power plant which will supply power to Cochabamba, the nation's second largest city, and to the Oruro-Catavi district where many mines are located; and $60,000 to the Direccion Nacional de Electricidad for short-term specialized consultants' assistance in carrying out its function of regulating the power industry throughout the South American country.

Five British firms request licenses to make U.S. goods and equipment

Want arrangements to produce aircraft parts, waste treatment equipment, safety items, control devices, machinery, other products

Five British manufacturers seek licensing arrangements with U.S. firms to produce a wide range of products.

• A British manufacturer of aircraft instruments and equipment such as temperature and pressure controls, timing equipment, air conditioners and refrigerant compressors, seeks licenses to manufacture a wide range of products.

The firm is interested in all types of valves up to 12″ in diameter, but particularly butterfly and gas valves for hot air and gas; electric and pneumatic actuators; miniature D.C. electric motors; pressure switches; solenoids; sensors including pneumatic, strain gauges, resistance thermometer, and humidity types; pneumatic pressure regulators up to 6″ in diameter; plastic and wire wound potentiometers; transducers; and systems for temperature control and associated areas.

A brochure describing the capabilities of the British firm can be obtained from the Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230.

Write: Teddington Aircraft Controls Ltd., Cefn Coed, Near Merthyr Tydfil, Glamorganshire, England. WTD. **P-69576.**

• A small firm of general engineers and makers of special purpose machines, light and heavy fabrications and sheet metal work, wishes to obtain licenses from American companies. The firm wants to manufacture in the United Kingdom any product which entails fabrication, such as machining, sheet metal and fitting with suitable protective finishes on a batch production basis (not mass production).

The company would be prepared to market products in the United Kingdom and EFTA countries and would arrange for suitable sales force after market research.

Write: Scott and Bow (Engineering) Ltd., Thaxted Road Works, Saffron Walden, Essex, England. Additional information on this project is available from the Office of International Investment (BIC-878). WTD. **P-69574.**

• Licenses to manufacture effluent treatment and water purification equipment for use in such areas as the disposal of organic matter and the biological oxidation process are being sought.

The company manufactures land and marine air conditioning systems, cooling towers and insulated metal chimneys. It claims to have excellent access to the U.K. and Commonwealth food and beverage processing industry through its work in industrial refrigeration and as a supplier of cooling towers.

Write: Mr. G. M. Jordan, managing director, Thermotank Ltd., Helen St., Glasgow, S.W.1, Scotland. WTD. **P-69571.**

• A British manufacturer of liferafts and lifejackets for aeronautical, civil, and military purposes; safety equipment for yachting and other sports; industrial protective clothing; and portable shelters and hangers seeks licenses to make related products.

The firm is a subsidiary of a holding company whose affiliates are engaged in the coating and lamination of fabrics, the production of survival equipment and the water proofing of suede, leather and other garments.

Write: Beaufort (Air-Sea) Equipment Ltd., Beaufort Road, Birkenhead, Cheshire, England. WTD. **P-69568.**

• A British producer of aircraft parts, electromechanical assemblies, vending machines and marine engines seeks licenses and/or sub-contract arrangements.

The firm's range of interests include mechanical and electromechanical assemblies, aircraft, naval and guided weapon components, quality commercial engineering products, machine tools and parts, gear and reduction boxes, and hydraulic units. The firm has capital available for the purchase of special purpose machinery. It employs around 200.

Write: Aircraft Engineering Components Ltd., Ringwood Road, West Howe, Bournemouth, Hampshire, England. WTD. **P-69569.**

Investment Assistance

To receive follow up assistance and general information about investment abroad telephone: 202-967-3786 or write: Office of International Investment, Department of Commerce (BIC-878), Washington, D.C. 20230. "P" numbers should be used when writing about specific proposals.

WTD indicates that a World Trade Directory Report containing financial and business background information on the foreign firm is available for $2 from the Department of Commerce (BIC-924), Washington D.C. 20230 or the nearest Department of Commerce Field Office.

The licensing and joint-venture proposals listed in this section are published as an informational service for U.S. firms interested in overseas affiliations. Companies responding to these opportunities should be cognizant of the present mandatory investment regulations administered by the Office of Foreign Direct Investments, U.S. Department of Commerce, Washington, D.C. 20230.

Canning venture proposed by Brazilian food producer

A Brazilian manufacturer of fancy foods seeks a half million dollar capital investment to expand his canning operation to produce glazed tropical and subtropical fruits. This small but efficient canning factory sells 95% of its products to the luxury trade in Brazil and exports the remaining 5% to Europe.

The principal products presently produced are canned mushrooms, artichokes, maraschino cherries, sweet peppers, sweet corn, several condiments, fruits in syrup, jellies and jams. The firm estimates the value of its fixed assets to be about $110,000 and states that it produced 795,000 units of its various products during 1968.

Write: ESPAL—Especialidades Alimenticias Ltda., Rua Branco de Moraes 174, Chacara Santo Antonio, Santo Amaro, Caixa Postal 9549, Sao Paulo, S. P., Brazil. WTD. **P-69572.**

Pakistan updates list of industries seeking foreign investment

Participants in over 100 major enterprises would be welcome

The Pakistan Department of Investment Promotion and Supplies has issued a list of 35 industries in which foreign investment is particularly welcome. This listing updates a previous list of 90 such industries contained in the brochure, *Foreign Investment Policy of Government of Pakistan*, prepared by the above agency.

The list is divided into three broad groups: export oriented industries, agro-based industries and import substitution industries.

Industries included in the export oriented category are: catching, canning and preservation of fish and other sea food; sophisticated types of cotton textiles; jute broad-looms and other specialized jute manufactures; tanning and curing; guar gum production; processing of minerals; and ready made garments.

The agro-based industries are: dairy farming and dairy products; poultry farming and poultry products; starch, glucose and other starch products; industries based on agricultural and industrial wastes; and hotels and motels.

Industries comprising the largest group, import substitution, include drugs and pharmaceuticals; insecticides and pesticides; fertilizer; manufacture of basic industrial chemicals such as acids, alkalis, salts, intermediates, electro-chemicals, textile auxiliary chemicals, and explosives.

Also included in this group are petrochemicals including production of polyethylene, PVC, poly propylene and dodecyl benzene (detergent); glass and glass products; specialized iron and steel products; copper and aluminum alloys, including extrusion; steel foundries; ferro alloys; ball and roller bearings; stationary and marine diesel engines and other internal combustion engines; agricultural machinery and equipment; tractors and components; pumps; textile machinery, parts and accessories; switch gear; transformers.

Industries dealing in the following areas are also in the group: copper enameled wire of finer gauges for electronic equipment; electronic equipment and components; scientific and precision instrument; locks and padlocks; hand and small tools (specialized items).

For more specific information regarding industries qualifying under the categories listed above, as well as for further information on investment in Pakistan, interested U.S. firms should **write:** Pakistan Investment Center, 635 Madison Ave., New York, N.Y. 10022.

French firm wants to make products in plastic field

Licenses to manufacture soft, semi-rigid and rigid polyurethane foam products and injection molded plastic laboratory items are sought by a French firm.

Write: C. A. Greiner and Fils, Chemin de l'industrie, 67 Bischwiller, France. WTD. **P-69578.**

Australian investment guide available for Victoria

U.S. firms contemplating investment in Australia may be interested in obtaining a new publication, *Guide to Investment-Victoria-Australia.* Prepared by the State of Victoria Promotion Committee, the 93 page booklet describes the economic growth and investment potential of Victoria, outlines Australian government policies pertaining to taxation, exchange control and tariffs and lists a number of industries believed to have investment possibilities.

Companies interested in obtaining a copy should **write:** Sydney Morrel & Co., Inc., 152 East 78th Street, New York, N.Y. 10021. Morrel is the U.S. representative of the Victoria Promotion Committee. Copies of the booklet are expected to be available the middle of May.

Austrian producer of heating equipment seeks licenses

Located in Vienna, this manufacturer of burners, furnaces and heat-treating equipment seeks licenses for the manufacture in Austria of vacuum furnaces and metal parts washing equipment.

Write: Unitherm, Oesterreichische Gesellschaft fuer universelle Waermetechnik m.b.H., Nemelkagasse 9, P.O. Box 96, A-1111 Vienna, Austria. WTD. **P-69575.**

Licenses in electronic field sought by Swiss manufacturer

A small Swiss manufacturer and distributor of electronic industrial process controls seeks to produce or assemble under license electronic controls and accessories for use on machine tools and other industrial machinery. The company currently develops and makes electronic controls for the machinery industry, and imports and distributes electronic components and accessories such as relays and storage batteries.

Write: Mr. Paul O. Stegmann, dir., Selectron Lyss AG, 3250 Lyss, Switzerland. WTD. **P-69567.**

Bulgaria seeks turn-key plant to make baby food

The Bulgarian Industry Planning Organization is seeking a turn-key plant for the manufacture of dehydrated baby food.

Its exclusive agent, residing in Austria, states that the proposal should include licenses to manufacture and sell, technology, and all necessary machinery and equipment. The proposal should include the following costs separately listed: a) machinery and equipment, b) consulting engineering, and c) license fees. Estimated dates of delivery and of readiness to commerce operations should also be given.

Write: Robert P. Neudorf, Kaiserstrassee 14, A 1070, Vienna, Austria. **P-69577.**

German firm wants to make heat exchangers, boilers

Licenses to manufacture heat exchangers for heating systems incorporating long, horizontal lengths of pipe, swimming pools and large and small residential hot water units are sought by a German firm.

The company is also interested in the production of electric central heating boilers and gas and oil fired steel central heating boilers.

Currently, the German concern manufactures boilers, heat exchangers, and heating units. Its facilities include modern workshops, warehouses, and a foundry.

Write: Kreuzstromwerk GmbH, 1-3 Sedanstr., Postfach 2109, 58 Hagen, Germany. WTD. **P-69566.**

World Trade Opportunities Continued through page 40

The firms and individuals in the following lists are interested in trade relations with U.S. businessmen. The commodities in which they have expressed interest are indicated by the numbers preceding the commodity classification. These numbers refer to the Standard Industrial Classification (SIC) Manual, which is available for $4.50 a copy from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Every effort is made to include only firms or individuals with good reputations. However, the Department of Commerce cannot be responsible for any trade relations.

The listing in INTERNATIONAL COMMERCE of opportunities to trade in specific commodities and technical data does not necessarily imply approval of their export by the U.S. Department of Commerce pursuant to the U.S. Export Control Act. For applicable export licensing regulations and policies, see the Comprehensive Export Schedule or consult the Bureau of International Commerce's Office of Export Control or any Department of Commerce Field Office.

- indicates that the trade opportunity represents a request for bids by a foreign government agency. A (★) following indicates that additional information may be borrowed by firms located in the U.S. from the Business and Defense Services Administration (BDSA), U.S. Department of Commerce, Washington, D.C. 20230; telephone numbers indicated. To avoid delay, requests for loan material should specify country and commodity.

★★ indicates opportunities obtained by U.S. trade missions to other countries. A (★) following these indicates that additional information may be obtained by writing the International Liaison and Trade Opportunities Staff, BDSA-541, U.S. Department of Commerce, Washington, D.C. 20230. The TM (trade mission) number is requested in correspondence. Requests for loan material should specify country and TM number.

WTD indicates that a World Trade Directory report is available on the foreign firm for which the trade opportunity is listed. These reports, indicating type of organization, sales territory, size of business, sales volume, trade and financial reputation, and other factors, are available for $2 each from the Bureau of International Commerce, BIC-924, U.S. Department of Commerce, Rm. 6059. Telephone: 202-967-4203. The date following the letters WTD refers to the date of issuance of the report. If WTD is in preparation, action will be completed on a priority basis upon receipt of request specifically identifying the trade opportunity involved.

Sales Leads for Exporters

Listed below are companies interested in buying U.S. products. Direct purchases are wanted unless a desire for an agency agreement is expressed.

011 Field crop farms

FRENCH WEST INDIES—Soy beans to be utilized in feed mill for production of cattle, hog and poultry feeds. Institut National de Recherches Agronomiques (INRA) (government agency), Attention Mr. M. Agot, Route de Dillon, C T C S, Fort-de-France, Martinique.

VENEZUELA—Grains in general for distribution in states of Lara, Portuguesa, Trujillo. Requests replies in Spanish. Marquez Hermanos (wholesaler), Calle 33, No. 22-86, Barquisimeto, Estado Lara. WTD 4/69.

195 Small arms

AFGHANISTAN—Shotguns: single barrel, twelve gauge. Sahibzada Trading House (importer, distributor), Mohammed Jan Khan Wat, Kabul. WTD 10/67.

196 Small arms ammunition

AFGHANISTAN—Cartridges for twelve gauge shotguns. Requests prices c.&f. Karachi, insurance up to Kabul, Afghanistan. Sahibzada Trading House (importer, distributor), Mohammed Jan Khan Wat, Kabul. WTD 10/67.

201 Meat products

COLOMBIA—Egg albumen. Francisco J. Vasquez G. (importer, agent), Avenida Jimenez No. 8-56—Apartado Aereo No. 5340, Bogota. WTD 3/69.

PHILIPPINES—Frozen pork livers, pork jowls skinless, pork bacon bellies, pork back fat skinless, pork middle ends, pork shoulder fat skinless; choice grade tenderloin. Direct purchase and agency. Progresso Sales & Development, Inc. (importer, wholesaler, retailer, indenter), Rm. 33 Villaflor Bldg., 57 Buendia Ave., Makati, Rizal. WTD 2/69.

SURINAM—Frozen chicken backs, necks; monthly supply of approximately $3,000-$4,000. Federal Trading Co. (importer, wholesaler), P.O. Box 1459, Paramaribo. WTD in preparation.

204 Grain mill products

PHILIPPINES—Poultry feeds including meat and bone meal, fish meal, soya bean meal. Direct purchase and agency. Progresso Sales & Development, Inc. (importer, wholesaler, retailer, indenter), Rm. 33 Villaflor Building, 57 Buendia Avenue, Makati, Rizal. WTD 2/69.

PORTUGAL—Wheat bran, other wheat milling by-products. Simontal-Suplementos Alimentares, Lda. (importer, feed processor), Rua do Salitre 5-1°., Lisbon. WTD in preparation.

208 Beverage industries

PORTUGAL—Natural or synthetic coloring compounds used in preparation of special poultry feeding mixtures to allow pigmentation of egg yolk, broiler meat. Simontal-Suplementos Alimentares, Lda. (importer, feed processor), Rua do Salitre 5-1°., Lisbon. WTD in preparation.

232 Men's, youths,' boys' furnishings, work clothing

SWEDEN—Men's, youths' sport clothes. Monark-Crescent AB (manufacturer, wholesaler, retailer), S-432 00 Varberg. WTD 4/69.

281 Industrial chemicals

HONG KONG—Sodium sulfate, anhydrous, powdered, 99.5%. Yee Lee Industrial Chemical Ltd. (importer, exporter, wholesaler, chemical selling agent), 36-38 Tung Man St., 1st floor. Cable: YEELEECHEM, Hong Kong. WTD in preparation.

PORTUGAL—Mineral salts used in preparation of animal feed, such as copper carbonate, iron, copper, manganese oxide, zinc and magnesium sulfate. Simontal-Suplementos Alimentares, Lda. (importer, feed processor), Rua do Salitre 5-1°., Lisbon. WTD in preparation.

SWEDEN—Chemicals for paint, lacquer, plastic, rubber, packaging industries. Ingeniorsfirman Claes Ramsgard (agent), Romelehus, S-240 14 Veberod. WTD 5/68.

282 Synthetic materials

PORTUGAL—Nylon, polyester, other synthetic fibers for producing stockings, fabrics, knits, fishing nets, tire cord. Direct purchase and agency. Gilberto Lima Lda. (importer, wholesaler, agent), Rua de Camoes 788-1°., Oporto. WTD in preparation.

283 Drugs

FRENCH WEST INDIES—Vitamin supplements for animal feed. Institut National de Recherches Agronomiques (INRA) (government agency), Attn: M. Agot, Route de Dillon, C T C S, Fort-de-France, Martinique.

284 Soap, detergents, cleaning preparations, perfumes, cosmetics

MALAYSIA—Cosmetics, toilet preparations. Direct purchase or agency. Pan Asia Trading Co. (importer, wholesaler, agent), 35-C Penang St., Penang. WTD 4/69.

307 Plastics products

AUSTRIA—Synthetic sausage casings; shrinkable plastics film for vacuum packaging of meat, meat products. Direct purchase and agency. Victor Nagel (importer, distributor, agent, exporter), Mexikoplatz 25, A-1020 Vienna. WTD 4/69.

DJIBOUTI—Ice chests or coolers, portable, foam plastic. Requests price quotation c.i.f. Djibouti. Mr. Sayed Abdul Ghafoor Almansoob (wholesaler, retailer, importer), P.O. Box 176, Djibouti, French Territory of the Afars and Issas. WTD 4/69.

GERMANY—Plastic hoses: flexible, type (a) with highly tensile wire helix fully embedded in wall; type (b) nylon braided for strength, bore sizes ¼" to 4". Quotations requested c.i.f. Bremen indicating delivery periods. UCLA Unnering & Claassen (importer, wholesaler), 28 Bremen, Duckwitzstrasse 74. WTD in preparation.

322 Glass, glassware

DJIBOUTI—Glassware: blown, pressed. Requests price quotations c.i.f. Djibouti. Mr. Sayed Abdul Ghafoor Almansoob (importer, wholesaler, retailer), P.O. Box 176, Djibouti, French Territory of the Afars and Issas. WTD 4/69.

325 Structural clay products

ISRAEL—Ceramic wall, floor tiles for building industry. Direct purchase and exclusive representation. CANMID LTD., Canada-Middle East Trading Co. (importer, distributor, agent), Attn: Dr. Jacob Fischler, 103 Hahashmonaim St., P.O. Box 20202, Tel Aviv. WTD in preparation.

PHILIPPINES—Decorative construction materials such as floor and wall tiles, firebricks, other related items. Fame Trading (wholesaler, retailer), 163 Tomas Morato Ave., Quezon City. WTD 2/69.

326 Pottery, related products

PHILIPPINES—Combination closet-bidet made of vitreous china, other sanitarywares including lavatories, faucets, fittings, stainless steel sinks. Amon Trading Corp. (importer, wholesaler, retailer, indenter), 246 Buendia Ave., Makati, Rizal. WTD 2/69.

329 Abrasive, asbestos, nonmetallic mineral products

MALAYSIA—PVC, asphalt flooring tiles. Direct purchase or agency. Pan Asia Trading Co. (importer, wholesaler, agent), 35-C Penang St., Penang. WTD 4/69.

331 Steel mill products

● **INDIA**—Railroad wheels, 15,994, for railroad cars and locomotives, according to R. 15-64 (Feb. 1967). Tender No. WTA-24 of 1969; bid deadline May 22. Director, Railway Stores, Railway Board, Rail Bhavan, Raisina Road, New Delhi 1.

Copies of tender documents available from Consul General of India, 3 E. 64th St., New York, N.Y. 10021 and 215 Market St., San Francisco, Calif, 94105. One set of documents available for inspection from the Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

PHILIPPINES—Galvanized spring steel wire—2.7 mm., tensile strength, 134 kgs./sq m.; hardness, RC34; carbon content, 0.39; manganese, 0.90; ungalvanized spring steel wire—1.4 mm., 2.03 mm., 3.2 mm.; spring steel flat wire—1.4 mm. x 6.5 mm. Direct purchase and agency. Progresso Sales & Development, Inc. (importer, wholesaler, retailer, indenter), Rm. 33 Villaflor Bldg., 57 Buendia Ave., Makati, Rizal. WTD 2/69.

PORTUGAL—Stainless steel seconds, regular and irregular shapes, A.I.S.I. types 302/304, 316, and 430. Immediate shipment. Santos Mendonca, Lda. (agent, distributor, importer), 605-2° Dto. Rua de Sa da Bandeira, Oporto. WTD in preparation.

● **THAILAND**—Steel angles, 1,560 each, L section (100 mm. by 100 mm. by 10 mm. by 6 meters); steel angles, 7,800 each, L section (50 mm. by 50 mm. by 6 mm. by 9 meters); steel channels, 130 each, U section (125 mm. by 9 meters). Tender #MEA-PSD-151; bid deadline June 4. Metropolitan Electricity Authority, 121 Chakraphet Road, Bangkok. Copy of specifications available for inspection from the Iron and Steel Division, BDSA-669, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2364).

335 Rolling, drawing, extruding of nonferrous metals

● **SINGAPORE**—Supply of: (a) 66 Kv oil filled power cables, control cables and accessories; (b) alarm cables, telephone cables and accessories; (c) 66 Kv oil filled single core 0.45 sq. in. cable, alarm cable and associated accessories; and (d) 12.7/22 Kv submarine cables, underground connecting land cables, associated cables and accessories. (Refer to PUB reference Item Nos: 18, 28, 19 and 34 respectively). Bid deadline June 30. Contact: Chief Electrical Engineer, Public Utilities Board, City Hall, Singapore 6.

● Supply of (a) 12.7/22 Kv core cross-linked polyethylene insulated power cables and accessories; (b) 3.8/6.6 Kv core cross-linked polyethylene insulated power cables and accessories. (Refer to PUB Reference Item Nos: 35 and 36 respectively). Bid deadline, July 7. Contact: Chief Electrical Engineer, Public Utilities Board, City Hall, Singapore 6.

336 Nonferrous foundries

DJIBOUTI—Cooking utensils, cast aluminum. Requests price quotations c.i.f. Djibouti. Mr. Sayed Abdul Ghafoor Almansoob (importer, wholesaler, retailer), P.O. Box 176, Djibouti, French Territory of Afars and Issas. WTD 4/69.

342 Cutlery, hand tools, general hardware

PHILIPPINES—Builder's hardware, carpenter tools, other construction hardware. Amon Trading Corp. (importer, wholesaler, retailer, indenter), 246 Buendia Ave., Makati, Rizal. WTD 2/69.

346 Metal stampings

DJIBOUTI—Kitchen utensils, stamped and pressed metal, except cast aluminum. Requests price quotations c.i.f. Djibouti. Mr. Sayed Abdul Ghafoor Almansoob (importer, wholesaler, retailer), P.O. Box 176, Djibouti, French Territory of the Afars and Issas. WTD 4/69.

349 Fabricated metal products

FRANCE—Gate, globe valves made of carbon-ordinary steel, alloys. Direct purchase and agency. Societe TERM (manufacturer, agent, distributor), 140 Rue de Gerland, 69 Lyon (7). WTD 3/69.

351 Engines, turbines

PHILIPPINES—Gasoline engines for use as prime mover of construction equipment such as concrete mixers, hollow block machines, pumps, corn grinders. Direct purchase and agency. Igri Industrial Sales Corp. (importer, wholesaler, retailer, indenter, manufacturer), 2106 Misericordia St., Sta. Cruz, Manila. WTD 1/69.

SWEDEN—Internal combustion engines, 2-5 hp with gear box, reverse gear for marine, various other purposes. Monark-Crescent AB (manufacturer, wholesaler, retailer), S-432 00 Varberg. WTD 4/69.

352 Farm machinery

MALAWI—Poultry feeders, brooders and waterers; battery cages; mechanical egg graders; incubators; egg trays for three doz. eggs. Price lists, preferably c.i.f. Beira in £ sterling, catalogs requested. Poultry & Farmers Co-operative Society Ltd. (cooperative), P.O. Box 370, Limbe. WTD 4/69.

353 Construction, mining, materials handling machinery, equipment

● **GREECE**—Supply 200 bulldozers, diesel engine 165-190 hp, hydraulic operated; 50 angledozers, diesel engine 210-250 hp, crawler mounted, hydraulic operated; 28 rollers, diesel engine 55-70 hp, 3 wheel type, 8-14 ton; 14 self propelled vibratory rollers, diesel engine, 7-8 ton; 49 motor graders; diesel engine 80-110 hp, 12 ft. moldboard, tandem drive; 14 motor scrapers, diesel engine 250-350 hp, 20-30 cu. yd. capacity; 20 scrapers, towed type, cable operated, 8-12 cu. yd. capacity; 4 asphalt finishers, diesel engine 50-70 hp. Tandem drive, 8-12 to hopper, 12-15 ft. width; 28 asphalt kettles, trailer mounted, 1000-1200 gal. capacity; 14 asphalt distributors, truck mounted, 1000-1200 gal. capacity; 2 fork lift truck, diesel engine 60-80 hp, lift capacity 3 tons, mounted on pneumatic tires. Unnumbered tender. One copy of specifications (in Greek) available for inspec-

tion in Room 5117, U.S. Department of Commerce. Complete bidding proposals: financial, documents, terms, and prospectus should be submitted by June 4th. Ministry of National Defense, Army Command, A.E.P.Y.S. 60 Kolokrotoni St., Athens.★ (Telephone: 202-967-5566).

KOREA—Deep water well drilling equipment for use in groundwater development. Direct purchase/agency. Hyup-Sung Corp. (commission agent), I.P.O. Box 1471, Seoul. WTD 8/67.

SWEDEN—Hospital trucks, carts, powered and others. Monark-Crescent AB (manufacturer, wholesaler, retailer), S-432 00 Varberg. WTD 4/69.

354 Metalworking machinery

● **THAILAND**—Metalworking equipment including: One 24 in. engine lathe, one No. 4 universal horizontal knee type milling machine, one crankshaft regrinder—floor mounted horizontal type, one 300 amp. engine-driven arc welder, and one automatic track link rebuilder welder—200 to 600 amp power source. Tender No. MK-1-32, bid deadline June 17. The Royal Irrigation Department, Samsen Road, Bangkok.★ (Telephone: 202-967-5652).

355 Special industry machinery

AFGHANISTAN—Machinery capable of solidifying, hydrogenating six-nine tons of cotton seed oil per day; machinery for making cans to hold two, four, six pounds solid cooking oil. Bakhtar Joint Stock Industrial Co. (exporter, manufacturer), 2nd Part of Jade Maiwand, Kabul. WTD 11/67.

AUSTRALIA—Suitable plant for crushing of car bodies into bales of scrap metal. Requests descriptive literature, prices. Mr. A. B. McDowell, Town Clerk, Orange City Council, Post Office Box 35, Orange, New South Wales 2800.

FRENCH WEST INDIES—Feed machinery, crushers, mixers, dryers to produce cattle, hog, poultry feed. Institut National de Recherches Agronomiques (INRA) (government agency), Attn: M. Agot, Route de Dillon, C T C S, Fort-de-France, Martinique.

MALAWI—Dairy machinery, including milking, milk processing, cheese and cream; poultry slaughter, packing machinery; egg dehydration plant. Prices, preferably c.i.f. Beira in £ sterling, catalogs requested. Poultry & Farmers Cooperative Society Ltd. (cooperative), P.O. Box 370, Limbe. WTD 4/69.

NEW ZEALAND—Bakery machinery: automated bread cooling equipment, with automatic feed to slicer/wrappers, to process weekly output of 200,000 loaves. Millar-Lange Ltd. (bakery), P.O. Box 29, Invercargill. WTD in preparation.

PAKISTAN—Small plant, machinery for manufacturing vodka or similar product from potatoes. Mr. Richard Kimball, Advisor, East Pakistan Small Cottage Industries Corp. (quasi government agency), P.O. Box 180, Ramna, 105/106 Motijheel Commercial Area, Dacca-2. Cable: EPSIC, Dacca.

356 General industrial machinery

KOREA—Deep water well turbine, other pumps for use in groundwater development. Hyup-Sung Corp. (commission agent), I.P.O. Box 1471, Seoul. WTD 8/67.

MALAWI—Machinery for making dry ice from carbon dioxide; to fit on to CO_2 cylinder. Miller & Wixley (Malawi) Ltd. (manufacturing chemist), P.O. Box 886, Johnston Rd., Blantyre. WTD 3/68.

PHILIPPINES—Irrigation pumps. Direct purchase and agency. Igri Industrial Sales Corp. (importer, wholesaler, retailer, indenter, manufacturer), 2106 Misericordia St., Sta. Cruz, Manila. WTD 1/69.

357 Office, computing, accounting machines

PHILIPPINES—Office gadgets and/or products especially new inventions, including label makers, line numberers, line daters, other similar items. Direct purchase and agency. Pioneer Stationers, Inc. (importer, wholesaler, retailer), 329-331 Nueva St., Binondo, Manila. WTD 1/69.

358 Service industry machinery

AUSTRIA—Electric air humidifiers, evaporator system (other than such operating with two submersed steel electrodes), with capacity of 300-600 gms. per hr.; closed copper heating cartridge or similar heating rods, suitable for use of odoriferous additives. Equipment should meet European testing standards, and electric power consumption of equipment with 300 gms./hr., capacity not to exceed 250 watts. Delivery of component parts and assembly in Austria also considered. Exclusive franchise for Europe. Requests replies in German. Klima-Fleisch, Hermann Fleisch (importer, wholesaler,

U.S. DEPARTMENT OF COMMERCE—FIELD OFFICES

Information and advice is available from these offices on: foreign markets for U.S. products and services, economic facts on foreign countries, firms with marketing facilites in foreign countries, trade and investment opportunities abroad, Government financing aid to exporters, foreign exchange regulations and procedures, export and import statistics.

ALBUQUERQUE, N. MEX., 87101, U.S. Courthouse. Area Code 505 Tel. 843-2386.

ANCHORAGE, ALASKA, 99501, 306 Loussac-Sogn Bldg. Area Code 907 Tel. 272-6531.

ATLANTA, GA., 30303, 4th Floor Home Savings Bldg., 75 Forsyth St. N.W. Area Code 404 Tel. 526-6000.

BALTIMORE, MD., 21202, 305 U.S. Customhouse, Gay and Lombard Sts. Area Code 301 Tel. 962-3560.

BIRMINGHAM, ALA., 35205, Suite 200-201, 908 S. 20th St. Area Code 205 Tel. 325-3327.

BOSTON, MASS., 02203, Room 510, John Fitzgerald Kennedy Federal Bldg. Area Code 617 Tel. 223-2312.

BUFFALO, N.Y., 14203, 504 Federal Bldg., 117 Ellicott St. Area Code 716 Tel. 842-3208.

CHARLESTON, S.C., 29403, Federal Bldg., Suite 631, 334 Meeting St. Area Code 803 Tel. 577-4171.

CHARLESTON, W. VA., 25301, 3000 New Federal Office Bldg., 500 Quarrier St. Area Code 304 Tel. 343-6181 Ext. 375 and 376.

CHEYENNE, WYO., 82001, 6022 Federal Bldg., 2120 Capitol Ave. Code 307 Tel. 634-5920.

CHICAGO, ILL., 60604, 1486 New Federal Bldg., 219 South Dearborn St. Area Code 312 Tel. 353-4400.

CINCINNATI, OHIO, 45202, 8028 Federal Office Bldg., 550 Main St. Area Code 513 Tel. 684-2944.

CLEVELAND, OHIO, 44114, Room 600, 666 Euclid Ave. Area Code 216 Tel. 522-4750.

DALLAS, TEX., 75202, Room 1200, 1114 Commerce St. Area Code 214 Tel. 749-3287.

DENVER, COLO., 80202, 16419 Federal Bldg., 20th and Stout Sts. Area Code 303 Tel. 297-3246.

DES MOINES, IOWA, 50309, 609 Federal Bldg., 210 Walnut St. Area Code 515 Tel. 284-4222.

DETROIT, MICH., 48226, 445 Federal Bldg. Area Code 313 Tel. 226-6088.

GREENSBORO, N.C., 27402, 258 Federal Bldg., W. Market St. P.O. Box 1950. Area Code 919 Tel. 275-9111.

HARTFORD, CONN., 06103, Room 610-B, Federal Office Bldg., 450 Main St. Area Code 203 Tel. 244-3530

HONOLULU, HAWAII, 96813, 286 Alexander Young Bldg., 1015 Bishop St. Area Code 808 Tel. 546-5977.

HOUSTON, TEX., 77002, 5102 Federal Bldg., 515 Rusk Ave. Area Code 713 Tel. 226-4231.

JACKSONVILLE, FLA., 32202, P.O. Box 35087, 400 W. Bay St. Area Code 904 Tel. 791-2796.

KANSAS CITY, MO., 64106, Room 2011, 911 Walnut St. Area Code 816 Tel. 374-3141.

LOS ANGELES, CALIF., 90015, Room 450, Western Pacific Bldg., 1031 S. Broadway. Area Code 213 Tel. 688-2833.

MEMPHIS, TENN., 38103, 710 Home Federal Bldg., 147 Jefferson Ave. Area Code 901 Tel. 534-3214.

MIAMI, FLA., 33130, Rm. 821, City National Bank Bldg., 25 W. Flagler St. Area Code 305 Tel. 350-5267.

MILWAUKEE, WIS., 53203, Straus Bldg., 238 W. Wisconsin Ave. Area Code 414 Tel. 272-8600.

MINNEAPOLIS, MINN., 55401, 306 Federal Bldg., 110 S. Fourth St. Area Code 612 Tel. 725-2133.

NEW ORLEANS, LA., 70130, 909 Federal Office Bldg., S., 610 South St. Area Code 504 Tel. 527-6546.

NEW YORK, N.Y., 10007, 41st Floor, Federal Office Bldg., 26 Federal Plaza, Foley Sq. Area Code 212 Tel. 264-0634.

PHILADELPHIA, PA., 19107, Jefferson Bldg., 1015 Chestnut St. Area Code 215 Tel. 597-2850.

PHOENIX, ARIZ., 85025, 5413 New Federal Bldg., 230 N. First Ave. Area Code 602 Tel. 261-3285.

PITTSBURGH, PA., 15222, 2201 Federal Bldg., 1000 Liberty Ave. Area Code 412 Tel. 644-2850.

PORTLAND, ORE., 97204, 217 Old U.S. Courthouse, 520 S.W. Morrison St. Area Code 503 Tel. 226-3361.

RENO, NEV., 89502, 2028 Federal Bldg., 300 Booth St. Area Code 702 Tel. 784-5203.

RICHMOND, VA., 23240, 2105 Federal Bldg., 400 N. 8th St. Area Code 703 Tel. 649-3611.

ST. LOUIS, MO., 63103, 2511 Federal Bldg., 1520 Market St. Area Code 314 Tel. 622-4243.

SALT LAKE CITY, UTAH, 84111, 3235 Federal Bldg., 125 S. State St. Area Code 801 Tel. 524-5116.

SAN FRANCISCO, CALIF., 94102, Federal Bldg., Box 36013, 450 Golden Gate Ave. Area Code 415 Tel. 556-5864.

SAN JUAN, P.R., 00902, Room 100, Post Office Bldg. Phone 723-4640.

SAVANNAH, GA., 31402, 235 U.S. Courthouse and Post Office Bldg., 125-29 Bull St. Area Code 912 Tel. 232-4321.

SEATTLE, WASH., 98104, 8021 Federal Office Bldg., 909 First Ave. Area Code 206 Tel. 583-5615.

manufacturers' representative), Holzstrasse 41, P.O. Box 11, A-6890 Lustenau. WTD 4/69.

GERMANY—Special purpose products, novelties for commercial laundry, dry cleaning industry. Quotations c.i.f. German seaport. UCLA Unnering & Claassen (importer, wholesaler), 28 Bremen, Duckwitzstrasse 74. WTD in preparation.

ITALY—Refrigeration, heating, humidification, dehumidification equipment for environmental chambers (0.7 cu. m. capacity). Pablo Galeazzi, S.p.A. (manufacturer), Via Macedonia 10, 00179 Roma. WTD 3/68.

TUNISIA—Five hundred room air conditioners annually from American firms not represented in Tunisia. Direct purchase and agency. Requests replies in French. Ets Allani S.A. (importer, wholesaler), 23 Rue Lenine, Tunis. WTD 9/68.

361 Electric transmission, distribution equipment

● **KOREA**—Supply of 61 items, in various quantities, of electric measuring instruments and test equipment including voltmeters, ammeters, watt meters, demand meters, oscillators, multi meters, bridges, amplifiers, electronic counters, tension testers, micromhometers, analyzers, capacitance testers, frequency meters, oscilloscopes, stroboscopes, recorders, milliameters, calibrators, converters, generators, impedance meters, filters, attenuators, resistors, inductors, comparators, and many more. Tender No. SLC-9055-P, bid deadline June 2. U.S. suppliers only.

Requested by Office of Supply, Government of the Republic of Korea, Seoul, Korea. Terms and specifications available on a loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● Supply two each sets, 161 Kv, low oil circuit breaker, outdoor use. Tender No. SLC-9057-P, bid deadline May 30, Office of Supply, Government of the Republic of Korea, Seoul, Korea.

Specifications available from the Power & Electrical Equipment Division, BDSA, Room 4124, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

● Supply 10 each sets, oil circuit recloser, 14.4 Kv; 20 sets, line port of power fuse; 120 each fuse units for power fuse; 10 sets, disconnecting switch; 1 set 11 Kv circuit breaker, indoor use, 11 Kv; 1 set oil circuit breaker, 66 Kv, outdoor use. Tender No. SLC-9052-P, bid deadline May 30.

Office of Supply, Government of the Republic of Korea, Seoul, Korea. Specifications available from the Power and Electrical Equipment Division, BDSA, Room 4124, Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-4241).

● Supply of eighteen items, in various quantities, of electric and electronic measuring instruments and transmission test equipment including telephone oscillators, test meters, wave analyzers, impedance bridges, capacitance measuring sets, cable pressurization devices, emergency coaxial cables, air compressors, wheatstone bridges, pulse testers, air dryers, crosstalk test meters, and other related items. Tender No. SLC-9058-P, bid deadline May 30.

Requested by the Office of Supply, Government of the Republic of Korea, Seoul, Korea.

Terms and specifications available on loan basis from the Scientific and Business Equipment Division, BDSA-653, U.S. Department of Commerce, Washington, D.C. 20230.★ (Telephone: 202-967-2939).

● **SINGAPORE**—Supply transportable substations, tender is open only to manufacturers in member countries of the IBRD and Switzerland. Tender No. EE 949.9/0 bid deadline June 30. Specifications available for approx. $330 from the Chief Electrical Engineer, Public Utilities Board, City Hall, Singapore 6.

363 Household appliances

DJIBOUTI—Cooking equipment, kerosene, household. Requests price quotations c.i.f. Djibouti. Mr. Sayed Abdul Ghafoor Almansoob (importer, wholesaler, retailer), P.O. Box 176, Djibouti, French Territory of the Afars and Issas. WTD 4/69.

364 Electric lighting, wiring equipment

GERMANY—Quartz lamps for use in textile industry. Quotations c.i.f. German port. UCLA Unnering & Claassen (importer, wholesaler), 28 Bremen, Duckwitzstrasse 74. WTD in preparation.

Choice of language

Some people—about seven-eighths of them—just do not understand English.

So when you answer an advertiser in these pages who requests replies in his own language oblige him *and yourself.*

Ask the Department of Commerce Field Office for advice.

ISRAEL—Electric light bulbs, complete; electric lamps (incandescent filament, fluorescent, infra-red, quartz, other related items) of various sorts, sizes for factories, street-lighting, public buildings, and architects. Direct purchase and sole distribution. CANMID LTD., Canada-Middle East Trading Co. (importer, distributor, agent), 103 Hahashmonaim St., P.O. Box 20202, Tel Aviv. Attn: Dr. Jacob Fischler. WTD in preparation.

PHILIPPINES—Electrical fixtures including switches, plugs, sockets, other related items. Direct purchase and agency. Amon Trading Corp. (importer, wholesaler, retailer, indenter), 246 Buendia Ave., Makati, Rizal. WTD 2/69.

366 Communication equipment

TUNISIA—Fifty thousand TV antennas to be imported annually. Requests replies in French. Compagnie Tunisienne d'Electronique El Athir (manufacturer, wholesaler), 29 Ave. Khereddine Pacha, Tunis. WTD in preparation.

367 Electronic components, accessories

KOREA—Component parts for assembly of radio receiving sets, record players. Daihan Junkwang Sa Co. (manufacturer), I.P.O. Box 1406, Seoul. WTD in preparation.

TUNISIA—Twenty thousand 59-cm. cathode tubes; 2,000 65-cm. cathode tubes to be imported annually. Requests replies in French. Compagnie Tunisienne d'Electronique "El Athir" (manufacturer, wholesaler), 29 Ave. Khereddine Pacha, Tunis. WTD in preparation.

369 Electrical machinery, equipment, supplies

SWEDEN—Ignition coils, electronic ignition systems, flywheel type magnetos all for outboard motors. Monark-Crescent AB (manufacturer, wholesaler, retailer), S-432 00 Varberg. WTD 4/69.

THAILAND—One unit of X-ray equipment. Requests prices, catalogs. Dumrong Trading Co., Ltd. (importer, distributor), 839-845 Talat Noi, P.O. Box 41, Bangkok. WTD in preparation.

371 Motor vehicles, motor vehicle equipment

GERMANY—Motor vehicles parts, accessories; equipment for motor vehicle engine rebuilding on factory basis. Direct purchase and agency. Techno-Einkauf GmbH (importer, wholesaler, retailer, distributor), 2 Hamburg 22, Holsteinischer Kamp 26. WTD 4/69.

372 Aircraft parts

IRAN—Oxygen systems to be used by pilots. Cobar Corporation (importer), 122 North Kakh Avenue, Tehran. WTD 3/69.

381 Engineering, laboratory, scientific, research instruments

GERMANY—Laser scientific, engineering instruments, laser beam alignment devices for medical purposes. Direct purchase and agency. Medimex Holfeld & Co. (importer, wholesaler), 27-29 Wandsbecker Koenigstrasse, 2000 Hamburg 70. WTD in preparation.

Chromatographic and electrophoresic equipment and accessories, as well as other laboratory research instruments for universities, chemical pharmaceutical research institutes. Direct purchase and agency. Shandon Labortechnik GmbH (wholesaler, importer), 6 Frankfurt/Main 50, Postfach 29. WTD 7/68.

THAILAND—Laboratory, scientific instruments, associated equipment, apparatus for small hospital. Requests prices, catalogs. Dumrong Trading Co., Ltd. (importer, distributor), 839-845 Talat Noi, P.O. Box 41, Bangkok. WTD in preparation.

382 Instruments for measuring, controlling, indicating physical characteristics

ITALY—Instruments for temperature range control from +5 to +40 centigrades; humidity control from 30 to 80%. Paolo Galeazzi, S.p.A. (manufacturer), Via Macedonia 10, 00179 Roma. WTD 3/68.

384 Surgical, medical, dental instruments

GERMANY—Ophthalmic instruments, apparatus; brain surgery instruments on laser basis. Direct purchase and agency. Ad. Krauth (wholesaler, importer, retailer), 27-29 Wandsbecker Koenigstrasse, 2000 Hamburg 70. WTD in preparation.

PHILIPPINES—General hospital equipment, supplies. International Industrial Investment (importer, wholesaler), 417 Juan Luna St., Manila. WTD 11/68.

THAILAND—Operating room furniture, including two units each of operating tables, lamps, patients' beds, surgical instruments; two anesthetic machines; one unit diathermy machine and suction. Requests prices, catalogs. Dumrong Trading Co., Ltd. (importer, distributor), 839-845 Talat Noi, P.O. Box 41, Bangkok. WTD in preparation.

394 Toys, amusement, sporting goods

FRANCE—Dolls, stuffed animals, games, and other toys. Requests correspondence to be in French. Ets. Kosmann Freres (importing wholesaler), 1 Rue des Vosges, 67 Schiltigheim. WTD 3/68.

395 Pens, pencils, office, artists' materials

PHILIPPINES—General artists' supplies. Direct purchase and agency. Pioneer Stationers, Inc. (importer, wholesaler, retailer), 329-331 Nueva St., Binondo, Manila. WTD 1/69.

399 Manufacturing industries

FRANCE—Low priced giftware (gadgets). Requests replies in French. Ets. Kosmann Freres (importing wholesaler), 1 rue des Vosges, 67 Schiltigheim. WTD 5/68.

KOREA—Various types of highway street markers, signs, including strips, tacks, plates, other related items, all made of modern durable plastics materials. Hyup-Sung Corporation (commission agent), I.P.O. Box 1471, Seoul. WTD 8/67.

VENEZUELA—Decorative articles for funeral parlors. Requests replies in Spanish. C.A. La Equitativa y La Principal (mortician), Apartado No. 375, Caracas, Venezuela. Piedras a Puente Restaurador No. 126, Caracas. WTD 4/69.

593 Antique, secondhand stores

CAMEROON—Used clothing. Requests replies in French. Etablissement Alhadji Pantami (importer, wholesaler, retailer), B.P. 139, Garoua. WTD in preparation.

VENEZUELA—Used automobile spare parts for own use. Requests replies in Spanish. Expresos del Sur S.A. (transportation company), Calle 38 No. 19-56, Barquisimeto, Estado Lara. WTD 4/69.

South Africa sets bid deadline for harbor extension project

The South African Railways and Harbors Administration is expected to issue invitations in May, to bid on harbor extensions in Table Bay near Cape Town.

The first phase of the project will be the construction of eight commercial berths, including two container berths, and two tug berths at an estimated cost of 27.5 million rand ($38.5 million).

The bid deadline has been established as this coming July 25.

Tender documents at 20 rand ($28) per set will be available from the offices of the South African Consulate General, 655 Madison Ave., New York, N.Y. 10021. (Telephone: 212-838-1700).

Sales Representation

The firms listed below are interested in representing U.S. firms in the areas indicated. Exclusive distributorship for these commodities is wanted only if specified.

201 Meat products

THAILAND—Canned meats. Requests catalogs, brochures, c.i.f. Bangkok prices. Sixco Ltd. Partnership (importer, wholesaler, commission agent), 185 Luang Rd., Bangkok. WTD in preparation.

203 Canning, preserving foods

THAILAND—Canned juices, fruits, vegetables. Requests catalogs, brochures, c.i.f. Bangkok prices. Sixco Ltd. Partnership (importer, wholesaler, commission agent), 185 Luang Road, Bangkok. WTD in preparation.

222 Broad woven fabric mills, manmade fiber, silk

MALAWI—Fabrics, manmade and mixed, for trousers, shirts, dresses; including seconds, discontinued lines. Fair Deal Trade Agencies (agency), P.O. Box 29, Limbe. WTD 3/69.

223 Broad woven fabric mills, wool

MALAWI—Fabrics of wool, flannel, for suitings, trousers. Including seconds, discontinued lines. Fair Deal Trade Agencies (agency), P.O. Box 29, Limbe. WTD 3/69.

249 Wood products

CANADA—Plastic laminates such as arborite. Exclusive distributorship. Newman Millwork (Canada) Ltd. (manufacturer), 400 Des Meurons St., St. Boniface 6, Manitoba. WTD 4/69.

264 Converted paper, paperboard products

MALAWI—Transparent adhesive tape, labels, writing paper, paper napkins, school exercise books. Lower quality ranges, including seconds, discontinued lines. Fair Deal Trade Agencies (agency), P.O. Box 29, Limbe. WTD 3/69.

281 Industrial chemicals

SWITZERLAND—Intermediate chemicals, specialties for industrial use. Impag (agent, distributor), Attn: Mr. Lenz, Gen. Mgr., Dufourstrasse 90, 8034 Zurich. WTD 12/68.

282 Synthetic materials

GERMANY—Plastic foils in rolls for packaging purposes. Hassia Verpackungsmaschinen GmbH (manufacturer, distributor), 6479 Ranstadt/Oberhessen. Attn: Dr. Knoener. WTD 2/69.

283 Drugs

DENMARK—New inventions within the line of pharmaceutical specialties developed by U.S. manufacturers in own research laboratories; all kinds. Ringsted & Semler A/S (importer, wholesaler, agent), 13 Norre Farimagsgade, Copenhagen K. Cable CHEMICALS Copenhagen. WTD 9/67.

342 Cutlery, hand tools, general hardware

AUSTRALIA—Cutlery, hand tools, general hardware items such as specialty wrenches and pliers, auto jacks, cutting dies, planes and chisels, metal and woodworking saws, door locks and latches, cabinet hardware, related home, professional items. C. W. Donney & Son Pty. Ltd. (manufacturer, distributor, exporter), 71-85 Tattersalls Rd., Blacktown, N.S.W. 2148. Attn: K. J. Beeston, Gen. Mgr. WTD in preparation.

NETHERLANDS—Equipment, accessories for marine sector and shipyards, all kinds. Sales and service agencies on exclusive basis for Common Market, other countries. Vanexport N.V. (importer, exporter, agent, distributor), C7 Groothandelsgebouw, Rotterdam. Attn: M. K. J. Hauser. WTD 4/69.

VENEZUELA—Hand tools. Agency for Caracas, State of Miranda. Requests replies in Spanish. Ferromecanica, C.A. (importer, retailer, sales agent), Edificio Primavera, Local "B", Cristo a Rosario, Avenida Fuerzas Armadas, Caracas. WTD 4/69.

349 Fabricated metal products

FRANCE—Gate and control valves; fittings, accessories, other metal instruments, products for use by petroleum industry. Usines Dehousse (manufacturer), Avenue Gaston-Lacoste; 64-Pau, Basses, Pyrenees. WTD 9/68.

353 Construction, mining, materials handling machinery, equipment

NETHERLANDS—Machinery, equipment for construction, related industries, all kinds. Sales and service agencies on exclusive basis for Common Market, other countries. Vanexport N.V. (importer, exporter, agent, distributor), C7 Groothandelsgebouw, Rotterdam. Attn: M. K. J. Hauser. WTD 4/69.

PHILIPPINES—Heavy construction equipment including cranes, tractors, excavators, pile drivers. Igri Industrial Sales Corp. (importer, wholesaler, retailer, indenter, manufacturer), 2106 Misericordia St., Sta. Cruz, Manila. WTD 1/69.

SWITZERLAND—Conveying, materials handling equipment for warehouses, industry, commercial establishments. Bandfix AG (importer, distributor), Badenerstrasse 585, 8048 Zurich. WTD 8/68.

354 Metalworking machinery

SWITZERLAND—Automobile body maintenance equipment. M. Hofman & Cie (importer, distributor), P.O. Box 670, 6002 Lucerne. WTD 6/68.

355 Special industry machinery

NETHERLANDS—Machinery, equipment for chemical manufacturing, processing, packaging industry, all kinds. Sales and service agencies on exclusive basis for Common Market, other countries. Vanexport N.V. (importer, exporter, agent, distributor), C7 Groothandelsgebouw, Rotterdam. Attn: M. K. J. Hauser. WTD 4/69.

Machinery, equipment for paint industry. Agency for Benelux area. Agentuur- & Commissiehandel Alb. Th. Suermondt (agent, importer, exporter), 97 Grotestraat, or P.O. Box 56, Waalwijk. WTD 3/69.

356 General industrial machinery

NETHERLANDS—Industrial process pumps. Exclusive representations on commission basis for Benelux countries. Jiskoot Automation N.V. (manufacturer, importing distributor), 49 Wilhelminapark, Utrecht. WTD 1/69.

VENEZUELA—Jacks, hydraulic. Agency for Caracas, State of Miranda. Requests replies in Spanish. Ferromecanica, C.A. (importer, retailer, sales agent), Edificio Primavera, Local "B", Cristo a Rosario, Avenida Fuerzas Armadas, Caracas. WTD 4/69.

358 Service industry machines

SWITZERLAND—Milk coolers, milk cooling systems for commercial application. Rolba AG (agent, manufacturer), Barengasse 29, 8039 Zurich. WTD 11/68.

361 Electric transmission, distribution equipment

NETHERLANDS—Potential difference meters. Exclusive representations, agencies for Benelux countries. Jiskoot Automation N.V. (manufacturer, importing distributor), 49 Wilhelminapark, Utrecht. WTD 1/69.

362 Electrical industrial apparatus

NETHERLANDS—Equipment, components, accessories for electrical industry suitable for conversion to 50 cycles, 220-380 volts. Sales and service agencies on exclusive basis for Common Market, other countries. Vanexport N.V. (importer, exporter, agent, distributor), C7 Groothandelsgebouw, Rotterdam. Attn: M. K. J. Hauser. WTD 4/69.

367 Electronic components, accessories

ISRAEL—Electronic tube parts, transistors, diodes, rectifiers, electronic components, parts. Sole distribution. Palestine Radio Co. (importer, wholesaler, retailer, exporter), 18 Nahlat Benjamin St., Tel Aviv. WTD 2/68.

371 Motor vehicles, motor vehicle equipment

GERMANY—Special parts for racing and rally cars such as steering wheels, lamps. Ferro-Merkuria Industriehandel GmbH (wholesaler, sales agent), 6 Frankfurt am Main, Blumenstr. 12. WTD 2/69.

NETHERLANDS—Equipment, accessories for automotive sector, all kinds. Sales and service agencies on exclusive basis for Common Market, other countries. Vanexport N.V. (importer, exporter, agent, distributor), C7 Groothandelsgebouw, Rotterdam. Attn: M. K. J. Hauser. WTD 4/69.

382 Instruments for measuring, controlling, indicating physical characteristics

NETHERLANDS—Instruments for process industry; refineries, chemical industries, breweries, soft drink, foodstuffs industries. Exclusive representations on commission basis for Benelux countries. Jiskoot Automation N.V. (manufacturer, importing distributor), 49 Wilhelminapark, Utrecht. WTD 1/69.

395 Pens, pencils, office, artists' materials

MALAWI—Ballpoint pens, pencils, felt-nib marking pens. Lower quality grades, seconds, discontinued lines. Fair Deal Trade Agencies (agency), P.O. Box 29, Limbe. WTD 3/69.

732 Consumer credit reporting agencies

PHILIPPINES—Desires to become correspondent of leading mercantile agencies in the United States. Countrywide Credit Counselors Corp. (mercantile agency), R-801 Enterprise Bldg., 524 Rosario St., Binondo, Manila. WTD 11/68.

Leads for Importers

Commodities are offered direct unless specified

012 Fruit, nut, vegetable farms

COLOMBIA—Fruit pulp of tropical fruits, vegetables. Abadi & Cia. Ltda. (manufacturers, wholesalers), Calle 14 No. 43-66—Apartado Aereo No. 8180, Bogota. WTD 4/69.

019 Commercial farms

AFGHANISTAN—Cleaned poppy seed. The Helmandi Co. (exporter, importer, raisin processor), Serai Ahmad Ali, Kandahar. WTD 4/68.

209 Food preparations

MALAYSIA—All types of spices such as pepper, chili, curry, oil seeds and cakes. Direct sales or through agency. A. A. Abdul Wahab & Co. (importer, wholesaler, retailer, commission agent), 113 Chulia St., P.O. Box 210, Penang. WTD 4/69.

229 Textile goods

SWEDEN—All types of linen goods. Almgrens Agentur AB (exporter, importer, agent), 6 Kornhamnstorg, S-111 27 Stockholm. WTD 3/68.

239 Fabricated textile products

COLOMBIA—Embroidery textile materials different types. Wholesale exportation, direct or through sales agents, preferably through exclusive distributors. Estampados Real Ltda. (manufacturer, wholesaler, exporter), Apartado Aereo (Air Mail P.O. Box) 136, Barranquilla. WTD 3/69.

242 Sawmills, planing mills

BRAZIL—Sawn and dressed Parana pine lumber. Ewaldo M. Roderjan & Cia. (exporter), Caixa Postal 1343, Curitiba, Parana. Attn: Dr. Daltro G. Roderjan. WTD 3/69.

243 Millwork, veneer, plywood, prefabricated structural wood products

MALAYSIA—Wooden door, window frames, custom made. Direct sales or agency. Fong Tuck Foong Furniture (manufacturer, wholesaler, retailer), 27, Road 52/2, Petaling Jaya. WTD 4/69.

322 Glass, glassware

SWEDEN—Glass, crystal ware. Almgrens Agentur AB (exporter, importer, agent), 6 Kornhamnstorg, S-111 27 Stockholm. WTD 3/68.

342 Cutlery, hand tools, general hardware

SWEDEN—Table cutlery, kitchen cutlery, made of stainless steel. Almgrens Agentur AB (exporter, agent, importer), 6 Kornhamnstorg, S-111 27 Stockholm. WTD 3/68.

345 Screw machine products

FRANCE—Threaded steel rods (ASTM A 193 B7), related products such as precision bolts, pins, for petroleum, other industries. Usines Dehousse (manufacturer), Avenue Gaston-Lacoste; 64- Pau, Basses-Pyrenees. WTD 9/68.

394 Toys, amusement, sporting goods

SWEDEN—Fishing tackle, reels, rods, hooks, spinners. Almgrens Agentur AB (exporter, importer, agent), 6 Kornhamnstorg, S-111 27 Stockholm. WTD 3/68.

Visiting Buyers and Officials

FRANCE—Pierre Sarthou, Bonnal & Co. (Renaulac), 80-104 Rue Ferdinand Buisson, 33 Begles, Gironde, **interested in paints, varnishes and allied products for both import and export and in licensing arrangements with U.S. firms and requesting technical information on production, marketing, merchandising advertising methods, dual distribution, sales promotion work.** May 14 via New York for approximately three weeks. c/o Emile Chagnon, 19 Ashland St., Nashua, N.H. 03060. Itinerary: 5/14-20 Nashau, 5/20 Cleveland, 5/23 Chicago, 5/28 Philadelphia, 5/29 Washington, 6/1 New York. WTD 3/69.

NEW ZEALAND—Neil A. Bannantyne, plant engineer, Works Branch, New Zealand Railways Dept., Wellington, **interested in railway track equipment for maintenance of permanent way and requesting technical information on track maintenance procedure.** May 19 via New York for two weeks. c/o New Zealand Trade Commissioner, New Zealand Consulate General, Suite 530, 630 Fifth Ave., New York, N.Y. 10020. Itinerary: Chicago and Northfield, Ill.; Minneapolis and Fairmont, Minn.; Kalamazoo, Mich., Milwaukee, Salt Lake City, Los Angeles.

PAKISTAN—Ahmed E. H. Jaffer, chairman, Jaffer Group of Companies, Jaffer Chambers, Victoria Road, Karachi 3, **interested in direct purchase and agencies for fertilizers; railway rolling stock, railway wagons, carriage steel tires, axles and wheels; railway track material, steel rails, bearing plates, steel sleepers; iron and steel in general, ferrous and nonferrous, diesel electric locomotives; earth moving equipment, crawler tractors, dozers, ditchers, loaders, scrapers; road building equipment, road rollers, road finishers; construction equipment; cranes, truck and tractor mounted, asphalt plants, concrete mixers, dumping trucks, batching plants; electronic equipment; electrical equipment, generators, switch gears; electric line equipment and material, underground and overhead cables, A C S R conductors, insulators;**

microwave equipment; farm machinery; communication equipment specially for defense use. May 24 via Honolulu until June 8. Itinerary: 5/24-30 Honolulu c/o Malihini Hotel, 217 Saragota Road; 5/30-6/5 San Francisco c/o E. H. Anwer, Pakistan Consul General, Pakistan House, 2606 Pacific Ave., San Francisco, Calif. 94115; 6/5-8 Los Angeles. WTD 12/66 under revision.

TANZANIA—S. B. Shah, Tanzania Plastics Industries Ltd., P.O. Box 2976, Dar es Salaam, **interested in U.S. machinery for plastics industry and basic plastic materials and requesting technical information.** May 15 via San Francisco for three weeks. c/o 104 Woodland Ct., Apt. 3A, Carpentersville, Ill. 60110. Itinerary: Los Angeles, Chicago, New York, Washington. WTD in preparation.

Libya seeks contractors for airport construction

Firms wishing to prequalify must submit documents before May 31

The Libyan Ministry of Communications proposes to call for bids in the near future for the construction of terminal buildings, traffic aprons and other buildings in the terminal area at Idris International Airport, Tripoli and at Benina International Airport, Benghazi.

The work will comprise the construction of buildings and the provision and installation of services as follows: Passenger terminal buildings complete with all facilities, including furniture, required by passengers, airlines, customs and other authorities, and provision for banks, shops and other ancillary services and facilities; freight buildings including post office and ancillary services and facilities; airport control tower and communications buildings; radio and telecommunications buildings; electrical substations; heating, lighting, power, air conditioning, plumbing, other necessary equipment needed in buildings; aprons, taxiways, roads and car parks adjacent to the buildings; water supply including fire hydrants, drainage and sewage disposal, traffic apron lighting, airport lighting control consoles and street lighting.

Late Leads—Information received too late to be of value to bidders is published because many readers will find it of value in follow-up campaigns to sell complementary products and subsidiary services. Sometimes a cable to an agent on the scene will result in tie-in sales.

Only those firms which have satisfied the Libyan Government as to their experience, resources and ability to undertake major integrated building projects and airport civil engineering works by satisfactorily completing a prequalification document will be invited to bid.

Contracting firms wishing to be considered for prequalification may apply for documents immediately, but not later than May 15. The completed documents must be returned before May 31.

Firms applying for prequalification documents must be registered or must now register in the International Category, Article 9, as required by the Ministry of Public Works Classification of Public Works Contractors Regulations.

The following information is to be provided by international contractors applying to the Ministry of Public Works for registration: Company's name; date and place for company association; head office address; responsible manager's name and legal representative's name; company's address in Libya (if any); company's agent in Libya (if any); capital value; the previous number in Contractor's Register (if any), and experience in civil, mechanical or electrical works.

The international contractor shall submit the following: Articles of association of the company in accordance with local rules; documents related to the appointment of the responsible manager, legal representative and their functions; document related to capital; documents of previous experience, operations performed, value and certificates of proper completion of contracts; certificates proving the execution of operations outside the country in which the head office is established; an undertaking from the company to establish an office in Libya upon being awarded a contract, and an undertaking from the company to transfer to Libya a sum equivalent to 10% of the contract with a maximum of £100,000 ($280,000) within one month of signing the contract.

Application for prequalification documents should be made to: The Under Secretary, The Ministry of Communications, Benghazi, Libya. with a copy to: Sir Alexander Gibb & Partners, Telford House, 14 Tothill St., Westminster, London, S.W.1., England.

Future Construction

For maximum assistance to those interested in overseas construction projects, U.S. Foreign Service officers report them as soon as possible, often in early planning stages. Some may not reach completion as originally proposed. In such cases additional information is published as it is obtained.

BRAZIL—A **new kraft pulp and paper mill,** Papel e Celulose Catarinense, S.A., is expected to provide jobs for 1,600 workers at Lajes, Santa Catarina, Brazil. It will use local raw materials now going to waste. The International Finance Corp. will provide a substantial part of $6 million needed to complete financing of the 57,000 metric ton a year mill.

Opportunities may exist for U.S. engineering and construction firms to work in consortia with Brazilian firms in the **construction of the new Port of Santos.** The recent American Road Builders Association IOCA Mission to Sao Paulo was told by the Sao Paulo contractors' associations that Brazilian contractors lacked experience in maritime and port construction work.

The Government of Brazil has released approximately $242,000 to the Companhia Docas de Santos, the government subsidized, private company operating the Port of Santos, to carry out technical and economic feasibility studies for new port facilities. The Federal Minister of Transport stated that the improvement of the port facilities in Santos has first priority among the projects of his Ministry and as soon as the studies are completed, about the beginning of July, construction work will begin.

The feasibility studies will cover proposed facilities for the left bank of the Santos estuary, principally docks and railway access. This area includes the western sides of the two adjacent islands.

Reportedly, the proposed new facilities will add new rail links for the port, access to the terminus of the projected Rio de Janeiro-Santos highway and the following new docks: 567 meters with a depth alongside of 13 meters; 8,534 meters with 10 meters; 812 meters with 8 meters; and 1,830 meters with 5 meters. The new facilities should allow the port to handle six times its present tonnage.

U.S. firms interested in construction work or supplying equipment should contact the American Road Builders Association in Chicago and the U.S. Consulate General, Sao Paulo, Brazil, which can put them into contact with the Sao Paulo contractors' associations.

CAMEROON—A project consisting of an eight-year **planting program of oil palms** on two estates totaling 22,400 acres, the **construction of an oil mill on each estate, and the provision of roads, buildings and other infrastructure** will be financed in part by the World Bank.

At full development, in 1981, the annual output of oil mills will be approximately 26,000 tons of palm oil and 6,000 tons of kernels.

The French Government assisted Cameroon in the preparation of the project by financing a feasibility study. A specialist from the Food and Agriculture Organization of the United Nations (FAO) was a member of the appraisal mission under the Bank/FAO Cooperative Program.

INDIA—A **Hilton hotel project** in Bombay was approved in December and the decision was communicated to the Indian promoters in January. With Intercontinental and Sheraton already constructing hotels, Hilton's entry means that the American hotel industry will provide approximately 1,500 rooms in Bombay. According to one of the Indian promoters, Bombay Hilton will be open for business in early 1971.

New Trade Lists

The Bureau of International Commerce has published the following new trade lists of which mimeographed copies may be obtained by firms domiciled in the United States from BIC-924, U.S. Department of Commerce, Washington, D.C. 20230, and from Department of Commerce Field Offices. The price is $1 per list for each country. All are dated April.

American Firms, Subsidiaries and Affiliates—Saudi Arabia.

American Firms, Subsidiaries and Affiliates—Thailand.

☆ U. S. GOVERNMENT PRINTING OFFICE 1969—341-963/44

Calendar *for international traders*

(Cont'd from inside front cover)

LOS ANGELES—May 22—43rd World Trade Week luncheon, Biltmore Hotel. Speaker: **K. N. Davis, Jr., Ass't Secretary of Commerce for Domestic & International Business.** Sponsor: Foreign Trade Assn. of Southern California.

LOS ANGELES—May 23—Export Expansion Seminar, Commerce Field Office, 9:30 a.m.

MEMPHIS—May 20—Export Conference on Containerization, Sheraton Motor Inn. Sponsor: World Trade Club.

MEMPHIS—May 21—Export Luncheon Forum on Far East, Hotel Sheraton-Peabody. Sponsors: Commerce Field Office, REEC, Mid-South Exporters' Roundtable.

MEMPHIS—May 22—Conference on Export Opportunities, Memphis Int'l Airport. Speaker: **Paul E. Pauly, dir., Office of Int'l Trade Promotion, Commerce Dept.** Sponsors: Commerce Field Office, REEC, Chamber of Commerce.

MEMPHIS—May 22—Workshop on Export Procedures, Memphis Int'l Airport. Sponsors: Commerce Field Office, REEC.

MILWAUKEE—May 20—5th Annual Wisconsin International Trade Conference, Hotel Pfister. Sponsors: Commerce Field Office, Wisconsin REEC, Metropolitan Milwaukee Assn. of Commerce, Milwaukee World Trade Club, Inc.

MINNEAPOLIS—May 21—Upper Midwest Conference on U.S. Int'l Trade Policies in the 70's, Holiday Inn Central, 11 a.m. Speakers: **Maurice H. Stans, Secretary of Commerce;** Kenneth Spang, chmn. N.Y. REEC & vice pres., First National City Bank of N.Y. Sponsors: Chamber of Commerce, Minn. World Trade Assn.

NASHVILLE—May 23—Middle Tenn. Exporters' Roundtable, Sheraton Motor Inn. Topic: Export Credit Insurance by FCIA.

NEW YORK—May 20—World Trade Club of New York monthly meeting, Villa Victor Restaurant, Syosset, Long Island.

NEW YORK—May 20—Fourth of 8 lectures on International Business Marketing-Management, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—May 21—Fifth of 7 Planning & Organizing for Int'l Trade lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

NEW YORK—May 22—Fifth of 8 Documentation lectures, Zeckendorf Campus, Long Island University. Sponsors: Commerce Field Office, REEC, College of Business Administration, L.I.U.

PHILADELPHIA—May 22—Foreign Traders Assn. dinner, Downtown Club, 5:30 p.m. Speaker: John W. Eckman, pres., Wm. H. Rorer, Inc. Topic: How Not To Succeed in Foreign Trade Without Really Trying.

PHOENIX—May 21—Export Development Workshop, The Smokehouse Restaurant, 7-11 a.m. Sponsors: Commerce Field Office, Small Business Administration, Trans World Airlines, Arizona State University, Arizona World Trade Assn.

PHOENIX—May 22—Export Workshop, Rm. 5413, Federal Bldg., 10 a.m.-12 noon. Sponsors: Commerce Field Office, Arizona REEC.

PITTSBURGH—May 22—World Trade Day luncheon, William Penn Hotel, 12 noon. Speaker: William Persen, senior vice pres., Business International. Topic: East-West Trade—Myth or Market. Sponsor: World Trade Council, Chamber of Commerce.

PITTSBURGH—May 22—Forum on Operations & Documentation Procedures for Port of Origin Shipments by Air Cargo, William Penn Hotel, 2:15 p.m. Speaker: **Frederick L. Brooks, Office of Export Control, Commerce Dept.** Sponsor: World Trade Council, Chamber of Commerce.

ROCHESTER, Minn.—May 22—Export Seminar and luncheon, Kahler Hotel. Speaker: John E. Carroll, pres., American Hoist & Derrick Co. Sponsors: Chamber of Commerce, Upper Midwest REEC, Commerce Field Office, State of Minn.

ST. LOUIS—May 20—World Trade Week luncheon, Stouffer's Riverfront Inn. Speaker: Donald W. Douglas, Jr., McDonnell-Douglas Corp. Sponsors: Commerce Field Office, REEC, World Trade Club, Chamber of Commerce.

ST. LOUIS—May 21—"Show You" Export Workshop on Documentation, Lambert St. Louis Municipal Airport, 10 a.m. Sponsors: Commerce Field Office, World Trade Club, Chamber of Commerce.

ST. LOUIS—May 22—World Trade Week program presented by Port of New Orleans, Stouffer's Riverfront Inn, 6 p.m. Sponsor: World Trade Club of St. Louis.

SAN FRANCISCO—May 21—General Export Seminar, Rm. 9207, New Federal Bldg., 9:30 a.m.

SAN FRANCISCO—May 21—FCIB Roundtable Conference on Int'l Credit, Collection, & Exchange Problems, San Francisco Hilton Hotel.

SEATTLE—May 20—Banking & Insurance Services for Exporters, Rm. 8021, Federal Bldg., 10 a.m.-12 noon.

SEATTLE—May 22—World Trade Club of Seattle luncheon, East Room, Washington Athletic Club, 12 noon. Presentation of World Trade Man-of-the-Year award, 2 "E" awards. Speaker: **Paul Porter, special staff, Bureau of International Commerce, Commerce Dept.**

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